

# The NATIONAL UNDERWRITER

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## Hayes Of La. Goes Into NAIC Line Of Succession

### Becomes Chairman Of Executive Committee, Beery Elected President

National Assn. of Insurance Commissioners wound up its annual meeting at San Francisco last week with the election of Commissioner Sam Beery of Colorado as president to succeed Paul Hammel of Nevada. Nelson Parker of Virginia moved up to vice-president and heir apparent, and the contest for Mr. Parker's old job, chairman of the executive committee, was won by Rufus Hayes of Louisiana over Charles Howell of New Jersey.

### Hammel To Advisory Post

Mr. Hammel, who went to the meeting just after overcoming the flu and was back in bed in the Fairmont Hotel as the convention ended with another fever, was elected vice-chairman of the executive committee, an advisory position. Alfred Premo of Connecticut was named to a second term as secretary-treasurer of NAIC. The executive secretary at the headquarters in Chicago is Hugh L. Tollack.

While the San Francisco meeting lacked the kind of accomplishment that makes headlines, it was a good working affair and a lot of company-commissioner business was transacted. There was almost nothing on the fire for the life people except credit insurance, and in the property and casualty line the biggest item was a progress

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## Indiana Insurance Men To Honor Alden Palmer And His Successor

The insurance industry of Indiana will honor retiring Commissioner Alden C. Palmer and newly appointed Commissioner James K. Ashley with a reception and dinner at the Indianapolis Athletic Club June 15. Having reached age 73 on May 3, Mr. Palmer recently submitted his resignation to Gov. Handley, who accepted it effective June 15. Close friends of Mr. Palmer knew that he had expressed a desire to relinquish the post late last year, but continued in office for the time being at the urgent request of many insurance leaders of the state. He will have served approximately 24 years of the regular four-year term when he retires.

James K. Ashley, who is to succeed Mr. Palmer, has worked closely with him for many months. The new commissioner is regarded highly in Indiana insurance circles. Serving as co-chairman for the reception and dinner are William P. Cooling, president Indiana group, and Walter H. Huehl, president Indianapolis Life.

## Tax Exemption For Commission On Own Insurance Reversed

The fifth circuit court of appeals has reversed the tax court decision that an agent who bought insurance on his own life was not liable for income tax on the commission in Commissioner vs Sol and Adele Minzer.

Rejecting the argument that the agent was merely buying insurance at a reduced price, the circuit court pointed out that the insurers were prohibited by law from selling insurance at a discount, so it cannot be said that the insurance had a value less than the amount of the premiums and hence "it must then be said that a benefit inured to the taxpayer to the extent of his commissions . . . the commissions were, we conclude, compensation for services and as such were income within the meaning of 26 USCA/IRC 1954/section 61/A/1."

The opinion will be reported more fully in next week's issue.

## Senate Votes Long Measure To Reopen NSLI For A Year

WASHINGTON, D. C.—The Senate has passed HR 11045 with the long amendment, which provides for reopening the sale of National Service Life policies for one year. The basic bill, HR 11045, would permit conversion or exchange of NSLI policies already in force to a new modified plan. The vote by 75 was unanimous.

The bill now goes to the House, which may accept the amendment or send the bill to joint conference.

## Occidental Life Is Host To Japanese Business Men

As one phase of a study of pension and retirement systems used by American business firms, 11 business executives from Japan conferred with home office officials of Occidental Life of California about the role insurance companies play in pension and retirement plans. The visitors represent major industrial firms in Japan and the objective was to study the details of the U. S. industrial pension systems in order to gain ideas for Japan.

President Horace W. Brower welcomed the group and C. H. Tookey, actuarial vice-president served as moderator for panel discussions. The program was headed by Powell E. Smith, executive vice-president. Participating in the discussions were Meno T. Lake, 2nd vice-president and actuary and Ira Browning, Gilbert Cronin, Frank Onstine, and Henry K. Knowlton of the pension department.

## Peel, Whitlock Advanced In HIA Legal Department

Health Insurance Assn. has promoted Joe W. Peel to counsel and Lyndon J. Whitlock to assistant counsel. Mr. Peel, who joined HIA as assistant counsel in 1958, was previously with the Kansas insurance department. Mr. Whitlock has been an attorney with the association since 1958.

## Agent Who Won Suit For Commissions Is Defeated On Appeal

NEW YORK—The award of \$17,692 won in the New York supreme (trial) court last November by an agent against two clients on the ground that they breached an oral covenant to buy life insurance from him on a plan that he had worked up at their request was reversed by the appellate division here this week. Decision of the five judges was unanimous.

The plaintiff-appellee is Merrill P. Arden, general agent here for National Life of Vermont but at the time of the alleged breach of contract an agent here of Connecticut Mutual Life. Defendants-appellants are Richard and Irving Freyberg, who had the controller of one of their corporations licensed to write the policies on the plan devised by Mr. Arden.

After stating that the evidence presented at the trial "does not support the agreement alleged in the complaint," the appellate court had this to say about the way in which Mr. Arden lost the business:

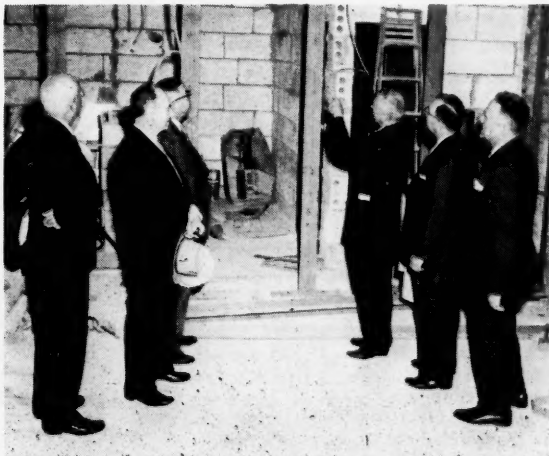
"Whatever reservations one may entertain as to the business ethics of defendants-appellants in this situation or whether the superintendent of insurance should investigate the manner

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## Western Round Table Of LAA Cancels 1960 Rally

The 1960 meeting of the Western Round Table of Life Advertisers Assn., scheduled to meet at San Francisco June 19-21, has been cancelled. The basic group from which this portion of LAA draws its membership is small, and conflicts with company meetings, etc., caused a prospective attendance for this gathering that was considered inadequate.

Meetings of the Western Round Table will be resumed in 1961.



of Virginia, Richmond; Mr. Defenderfer; David M. Blumberg, Massachusetts Mutual, Knoxville, and John C. Donohue, Penn Mutual, Baltimore, chairman of NALU's building fund campaign. The headquarters building is in the process of being renovated.

## Nominate Stewart, Blumberg For NALU Secretary Position

### By-Laws Were Changed This Year To Permit More Than One Candidate For The Post

David M. Blumberg, general agent of Massachusetts Mutual Life in



David M. Blumberg



Jack A. Stewart

Knoxville, Tenn., and Jack A. Stewart, agent of Phoenix Mutual Life at Cleveland, have both been nominated by the NALU nominating committee as candidates for secretary of NALU for 1960-61. Both are serving the first year of their second two-year terms on the board of trustees.

Under authority granted by an NALU by-law adopted at the midyear meeting at Louisville in March, nominations for an officer of NALU are no longer limited to one person per office. The change also made possible a larger slate of trustee candidates than was previously permitted.

### Trustee Slate Due In July

The nominating committee chairman, Mrs. Elsie Doyle, Union Central Life, Ft. Lauderdale, Fla., said the committee will announce its slate of trustee candidates in mid-July. She said that because many state associa-

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Members of NALU's building committee on tour of headquarters building are guided by Committee Chairman A. W. Defenderfer, John Hancock, Washington, D.C., who points to the spot in the foyer where bronze plaques honoring charter builders will be erected. From left are Albert C. Adams, John Hancock, Philadelphia; Stanley C. Collins, Metropolitan Life, New York; Herbert R. Hill, Life

## INSURANCE LIBRARIANS TOLD:

## 'Terminological Chaos' Costs Industry Money

Should there be a contest among the various branches of insurance—



Davis W. Gregg

life, health, fire, marine, casualty, bonding, and the rest as to which has the most confusing terminology, the judging would be most difficult because "all insurance seems to have succeeded in attaining terminological chaos," said President Davis W. Gregg of the American College of Life Underwriters at the insurance division luncheon during the meeting of Special Libraries Assn. at Cleveland.

### Public Is Mystified

"Insurance is plagued by an infernal and exasperating jungle of confusing terminology," he said. "Our 'mixed-up' language is taking a heavy toll along many lines: Countless sales are lost because the public doesn't know what we are trying to say about our products and services. Manpower development costs are doubled or trebled because trainers and teachers must explain and re-explain concepts and techniques. Stiff taxes and restrictive legislation surround us be-

cause legislators cannot seem to understand how we function."

To show that these statements are not overdrawn, Mr. Gregg took some illustrations from the main branches of insurance.

"Life insurance," he said, "can be proud of its generic label. It's a positive term, emphasizing living aspects instead of the death aspects. The term is simple, meaningful and thus widely accepted and understood."

"However, take a look at the commonly used terms for the major branches of life insurance business: ordinary, industrial and group. Group insurance is a usable and understandable term, but what about the other two?"

"The usual synonym for 'ordinary' is 'common'; the usual antonym is 'extraordinary.' Does the public wish to buy 'common' life insurance or 'extraordinary' life insurance. Webster's goes on to define 'ordinary' as 'not distinguished by superiority of any kind.' Is this the kind of language atmosphere appropriate for life insurance?"

Mr. Gregg said there is evidence that "industrial" as the tag for the third branch of life insurance may be on the way out.

"Ten years ago," he said, "the author (P. A. Samuelson) of America's

(CONTINUED ON PAGE 11)

## More Gumption Needed In Field, Says Nicholson

The zing and the drive and the joy of accomplishment that have long been

associated with the career of life insurance selling seem to be giving way to careful conformity, to the detriment of the business, said E. L. Nicholson, 2nd vice-president of Connecticut General Life, at the New England management conference in Swampscott.



E. L. Nicholson

"This is a wonderfully exciting business we are in," he said, "and we should be living it with all the joy and fervor at our command. But we are not! Instead, we are taking on the drab, conservative, stale conformity that resembles a pompous society too old to change or too rich to care."

### Got It From Home Office

"And how did we get that way? From the leaders, of course. The agents get it from you and you get it from your home office. This is an era of the passing parade of joiners, leaners, men looking for a crutch, a swivel chair, an easy chair and, if possible, a nice, soft comfortable sofa. The 'organization man,' pass the buck, cookie-cutter conformity, me too!"

"But all these things are symptoms. The ailment itself is more serious. We are plagued with a lack of molders, makers and directors of men, wavering

where there should be leadership."

Mr. Nicholson said that during the last decade more and more frequently the statement, "Give the public what it wants," has been heard.

"One of our research projects probed into the question, 'What kind of an agent does the public want?'" he continued. "Well, they want an agent who is capable, trained, probably an MBA from some Ivy League school, thoroughly knowledgeable and a counselor—on the one hand. On the other hand, this 'ideal' agent should not be persuasive, aggressive or effective."

"In short, the public thinks it wants someone who will never make a man face up to the realities of life, a neutral, a non-entity, dispensing free ad-

(CONTINUED ON PAGE 23)

## Clayton Endorsed By Ala. Agents For 2nd Term As NALU Trustee

Robert S. Clayton, manager of Liberty Life at Mobile, has been endorsed as a candidate for a second term as a NALU trustee by Alabama Life Underwriters Assn. and by general agents and managers associations throughout the state.

Mr. Clayton was elected to his first term as a trustee in 1958. He has been in the life insurance business for 24 years, the last 13 of which have been as manager in Memphis and Mobile. He has held all offices of his local and state associations and has been a member of NALU since he entered the business.



Robert S. Clayton

## Scoins Replaces Ready As Head Of ALC Medical Group

There is a possibility that the medical information blank of the future

will contain such a question as "When nuclear test explosions are going on, do you go to a shelter and stay there?" James H. Ready, medical director General American Life, and immediate past chairman of American Life Convention's Medical Section suggested at that group's annual meeting at White Sulphur Springs.

William H. Scoins, chief medical director Lincoln National Life, replaced Dr. Ready as chairman and Paul J. Langner Jr., medical director Provident Mutual Life, moved up to vice-chairman. J. R. B. Hutchinson, vice-president and medical director Acacia Mutual Life, was reelected secretary. Elected to the board of managers was J. Grant Irving, medical director Aetna Life, and Clifton L. Reeder, vice-president and medical director Continental Assurance, was named program chairman.

Dr. Scoins graduated from University of Nebraska medical school and was an instructor there for some five years. He left this post to become assistant medical director and later associate medical director with Pacific Mutual Life. In 1936, in addition to these duties, he was named an instructor at University of Southern California. Following service in the navy, Dr. Scoins became medical director of Lincoln National in 1948 and chief medical director there in 1951.

Dr. Ready's address concerned the "serious threat to the three basic needs of man—air, food and water." He called upon the group to use their influence both as members of the medical profession and of the life insurance industry to take action on these problems.

## Elect Bevard To Head Des Moines Life Agents

R. Claire Bevard, John Hancock, has been elected president of Des Moines Assn. of Life Underwriters.

Randall T. Klein, Prudential, and George Burmeister, Phoenix Mutual, were named vice-presidents and Richard Jorgensen, Bankers Life of Iowa, is secretary-treasurer.

Sales of North American Life of Chicago in May totaled \$8,179,670, an increase of 73%.

At the Decatur sales rally, from left, Roy A. Rademacher, Equitable Society, president Decatur association; Robert E. Hill, assistant professor of finance, University of Illinois, the banquet speaker, and Joseph A. Lewis, Mutual Benefit H.A. and Mutual Benefit Life, general chairman of the meeting.



Dr. W. H. Scoins

## Aetna Life Buys Excelsior Life, Canadian Insurer

Aetna Life has reached an agreement to acquire controlling interest in Excelsior Life of Canada, according to a joint announcement by Henry Beers, Aetna Life president, and Bruce Matthews, president of Excelsior Life.

Aetna Life is purchasing immediately 55% of the outstanding stock of Excelsior Life and is negotiating for the other 15%. The total outlay will be approximately \$5,250,000.

Excelsior Life, founded in 1884, writes participating and non-participating individual coverages, as well as group. At Dec. 31, 1958, Excelsior Life had assets of \$109,770,479 and insurance in force of \$574 million. In 1958 the company paid more than \$6,330,000 to policyholders. Premium income was \$13,341,635, and investment income was \$5,513,888. Net rate of interest earned on investments was 5.19%.

Excelsior Life, based in Toronto, has 400 employees and almost 500 agencies with branch sales offices in 26 Canadian cities. It is expected that Mr. Beers, John A. Hill, senior vice-president, and Crampton Trainer, vice-president and assistant treasurer, all of Aetna Life will become Excelsior directors. Excelsior Life will continue as an autonomous operation, with no change in personnel, management or practice.

## Appeal Gold's Decision To Decrease Rates On Small Loan Credit A&S Coverage

RALEIGH—Commissioner Gold's recent decision to reduce the premium rate on credit A&S coverage sold in connection with small loans has been appealed to Wake superior court by American Bankers Life of Florida and North Carolina Credit A&H Rating Bureau.

The appellants contend that the commissioner's decision, cutting the monthly per unit rate from \$1.75 to \$1.50, was "arbitrary and capricious and is unsupported by any substantial competent evidence."

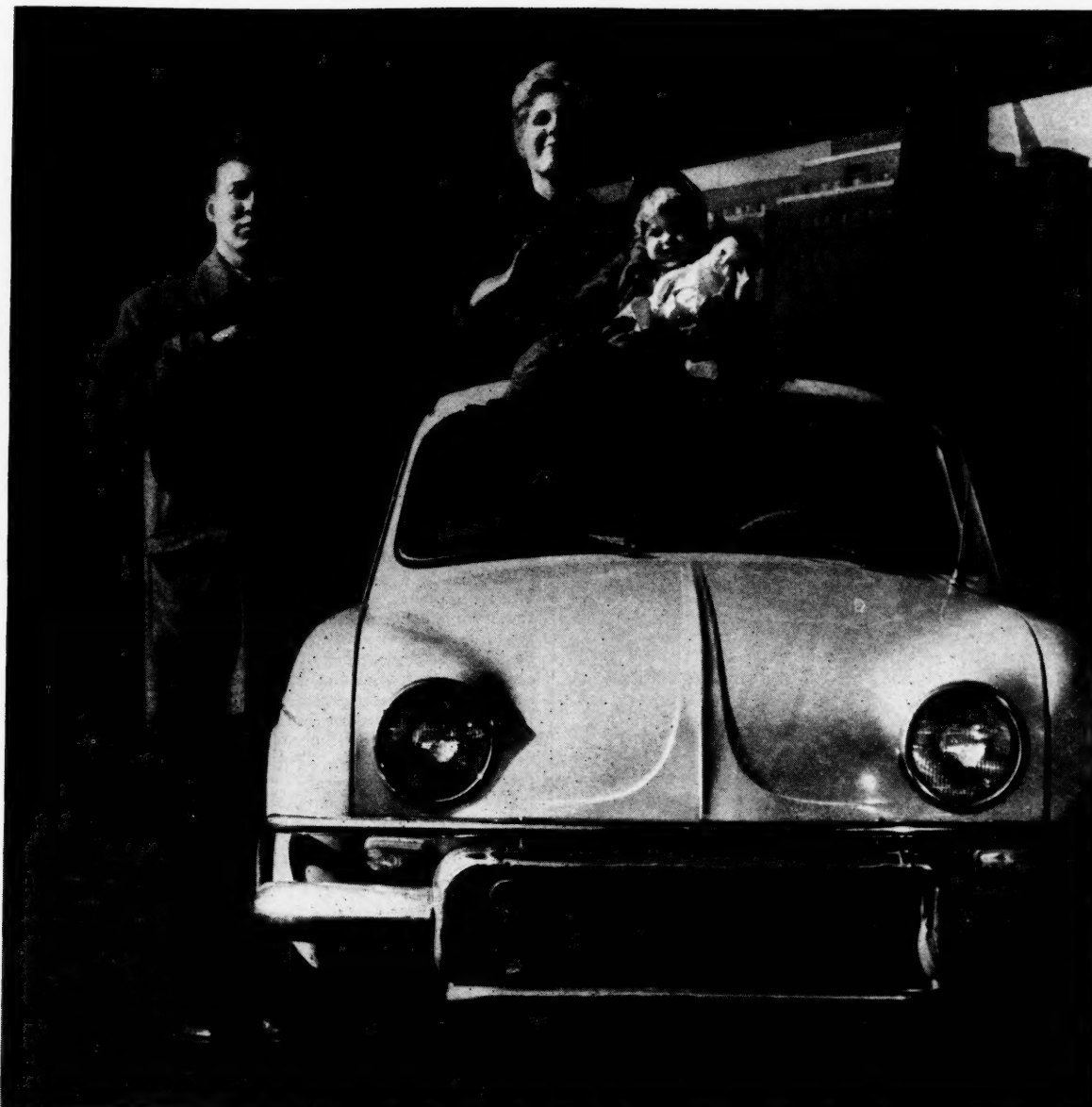
They also said there is no evidence to support his contention that the loss ratio is not high enough.

## Tulsa GAs Elect Stoia

John J. Stoia, Northwestern Mutual Life, has been elected president of Tulsa Assn. of General Agents Managers. He succeeds Leo C. Murray, Mutual of New York. W. Eli McRorie, Prudential, was chosen vice-president and Donald Gatchell, Bankers Life of Iowa, secretary-treasurer.







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## Decatur Sales Congress Rewards Agents With Full Complement Of Ideas, Methods

By WILLIAM H. FALTYSEK

The annual sales congress of Decatur Assn. of Life Underwriters held in conjunction with the annual meeting last month of Illinois Assn. of Life Underwriters offered a stellar program and drew a respectable attendance, despite the fact that the meeting was held the week-end of Memorial Day.

The sales event got off to an early start with a breakfast sponsored by Central Illinois CLU chapter. The agenda for this gathering besides consuming of food consisted of a panel moderated by William E. North, general manager New York Life, Evans-ton, and vice-president of NALU.

Participants were William T. Beadles, insurance professor, Illinois Wesleyan University; Bart Hodges, New York Life, Austin, Tex., who also spoke later in the day, and Robert W. Leu, Massachusetts Mutual Life, Peoria.

The topic for discussion was "HSAK

Plus CLU Equals Success." The first four letters stand for habits, skill, attitude and knowledge, and were handled briefly in that order by Messrs. North, Leu, Hodges and Beadles.

Mr. North pointed out that the word "success" means different things to different people and must be recognized by degrees. Habits make men or break them and either success or failure habits can be built. A third type of habit sentences a man to mediocrity. "We form our habits according to our own decisions," Mr. North said, and it is easy to check habits to see if they are developing the desire for success of the type we want. Habits can be checked in one day's time, he said, and should tell if a man is working a full day, honestly, every business day with maximum efficiency or if the goals for the month, day or week have been changed to suit convenience.

Mr. North questioned the CLUs on how they rank with other men in the business based on habits of industry.

"Are you a top business executive in your own town? Would you do business with you based on how you honestly see yourself?" he queried. "How do you measure up alongside your associates? Are the answers based on habits of failure or success? Have you chosen mediocrity? It's your choice."

Mr. Leu said there is a lot heard about selling in the "soaring 60s." They are soaring but not quite so much as is being predicted. It will be a good year, however, and the American consumer will be there and business will be there with its products. "As agents, do we have the skill to bring the market and products together? Do we have the skill to get husbands and fathers to insure their human life values and put money in insurance instead of spending surplus dollars for consumer goods?" he asked.

### Must Have Skill

"If we want our share in the expanding American economy, we must have skill. We must also have the skill to fight creeping inflation by getting out and selling people on the spirit of self-reliance. To the extent our message gets to the public and the public believes we represent a real service, this will be the real mark of our professionalism. Otherwise we are amateurs. The payoff is vastly different."

Mr. Hodges said that attitude is vitally important. Having all else and the wrong attitude, failure is entirely possible. Proper attitude calls for positiveness and self-confidence, especially when explaining an insurance plan so the prospect really believes this is indeed the plan for him. The man with the proper attitude can prevail

(CONTINUED ON PAGE 8)

## Canadian Life Officers Elect Kilgour President

TORONTO—D. E. Kilgour, president of Great-West Life, was elected president



D. E. Kilgour

of Canadian Life Insurance Officers Assn. at the annual meeting here. He succeeded A. Ross Poyntz, president Imperial Life.

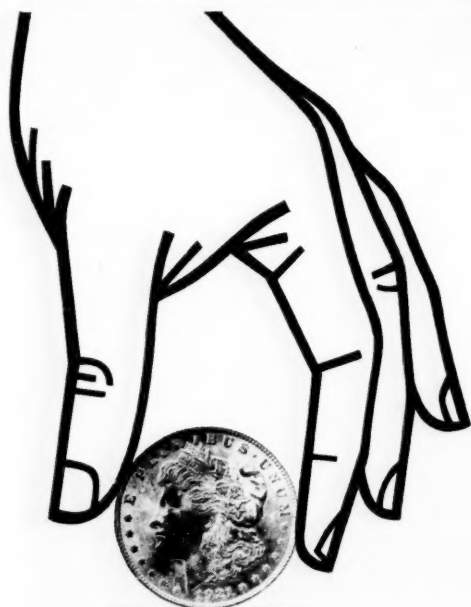
John T. Bryden, vice-president and general manager North American Life of Toronto, was elected vice-president.

E. A. Rieder, president Mutual Life of Canada, 2nd vice-president and B. T. Holmes vice-president and actuary Confederation Life, honorary treasurer.

Gordon Hunt, assistant general manager and director of agencies Sovereign Life, is the new chairman of life agency officers section. K. G. McNab, vice-president and chief agency officer Manufacturers Life, is vice-chairman.

Other members of the council are J. Stanley Brown, superintendent of agencies Metropolitan Life; George Alexander, secretary Montreal Life and E. Morton, agency vice-president North American Life of Toronto.

Milwaukee Assn. of Life Underwriters will hold its final meeting of the season June 16 at the Downtown YMCA. National Quality Awards will be presented and the speaker will be Charles Tomlinson, Bankers Life of Iowa.



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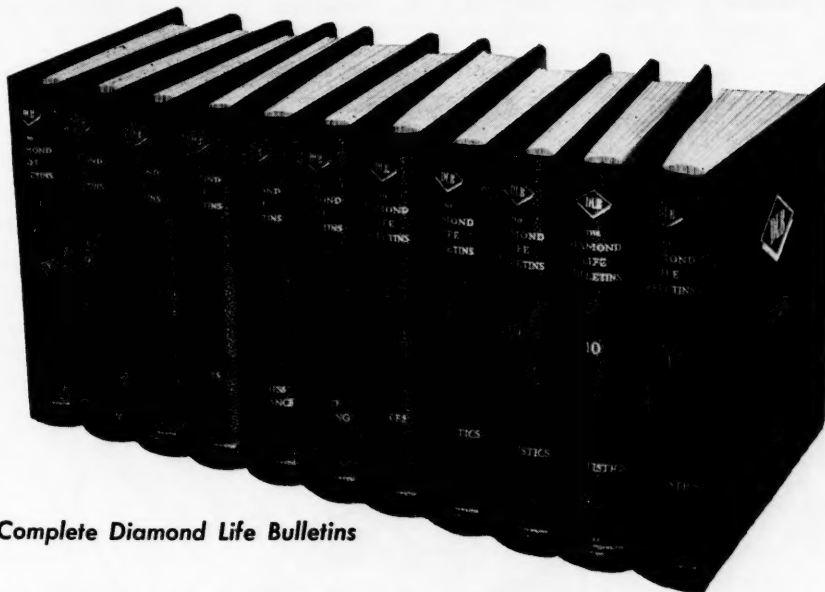
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*Purser, Gen'l Agt.* . . . "it is as vital to the success of our agency as our telephones", *Earl M. Schwemm, CLU, Agcy. Mgr.*

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## Tells How To Use Split-Dollar Plan Where Loans To Officers Are Barred

Most of one day at the annual meeting of the Million Dollar Round Table, held this year in Honolulu, was devoted to seven talks on business insurance sales patterns. These talks were followed by workshop sessions conducted by the day's speakers.

Charles B. McCaffrey, lecturer at the Wharton School of the University of Pennsylvania and special consultant to Provident Mutual Life, presented

in detail three tested business insurance procedures. One involved the cure for the use of split-dollar plans in states that prohibit the making of loans by corporations to officers and directors.

### Suggests Tenants-In-Common

A method of avoiding this trouble is ownership as tenants-in-common, with the corporation and the executives

owning the policy as they might a stock certificate. Each would pay its or his share of the purchase price.

During the lifetime of the insured executive, either tenant-in-common would be permitted to exercise the incidents of ownership pertaining to its or his segment of the tenancy. The corporation could borrow upon or surrender for the cash value. The executive could change the beneficiary or the amount-at-risk portion. On the death of the insured executive, his designated beneficiary would receive the net amount at risk and the cor-

poration would collect the difference, i.e., the cash value.

Or a cooperative employer-employee benefit trust might be set up, said Mr. McCaffrey. This arrangement is made up of a revocable two-donor trust. Donor I is the employer-corporation. Donor II is the executive-employee. The corpus of the trust is a life insurance policy on the life of the executive-employee. All incidents of ownership are held by the trustee. The trustee is sole beneficiary of the policy. Donor I contributes to the trust each year an amount equal to the annual increase in the cash value of the policy. Donor II contributes the difference necessary to make up the annual premium.

After detailing the other necessary steps, Mr. McCaffrey said "It should be noted that there is nothing unique about a trust being owner and beneficiary of a life insurance policy. The practice has become well established. The above arrangement merely represents a unique application of the concept in order to serve a particular need."

### Sticks To Key-Man Approach

The other two procedures described by Mr. McCaffrey dealt with the use of corporate funds to pay estate taxes for the owner of and the use of deferred compensation plans.

Opening a business insurance interview with discussion of a buy-sell agreement may be so far off base as to invite trouble, said Joseph N. Desmon, Continental Assurance, Buffalo.

"To eliminate this potential disastrous result," he said, "I have learned from experience that the initial presentation should be solely on the basis of key-man indemnification. Our remarks should be confined to the need for life insurance to protect the corporation in the event of the death of either of the principal stockholders—again, we are approaching the positive aspects of business perpetuation and continuation instead of liquidation."

"This, in my opinion, makes good sense, because each stockholder honestly believes that he is invaluable to the corporation. Without him there could be no business. (He may not feel quite the same about his partner, and vice versa.)"

"This type of approach must be reasonably well received. If possible, we can close our sale on this basis. At any rate, after developing interest in this manner, we can then proceed to the discussion of buy-and-sell agreements, deferred compensation, salary continuation, partial redemption of stock to pay estate costs, etc. These discussions can take place even after the sale has been made and the policies issued and delivered. There is ample flexibility in the policy contract to adjust them to whatever need is indicated as most urgently in need of solution."

### Don't Use Today's Values

Mr. Desmon cautioned that it is a serious error to base the insurance on a business on today's values.

"On the assumption that the business should continue to prosper and expand in the next 10 years, shouldn't an attempt be made to project to at least some degree the future potential value of the business interest?" he asked.

Herbert V. Kibrick, New York Life, Boston, stressed the value of really getting to know one's clients, for doing so enables the agent to make appealing suggestions that he could not possibly have thought of otherwise.

"Life is growth—inner growth as well as material growth," he observed. "As our clients grow, they reveal more

(CONTINUED ON PAGE 20)



"J. B. never did get around to planning his retirement."

How many of your clients *talk* about providing for retirement, but never seem to get around to *doing* much about it? Perhaps you can turn their procrastination into decisive action by using a Great-West Life annuity contract as the basis of your proposal. The very favorable rates and other advantages of Great-West's annuities have helped many a broker hear "yes" instead of "no" or "not just now".

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## Inc. Agents Ask Department To Act On Violations Of 'Profit Sharing' Orders

Indiana State Assn. of Life Underwriters adopted a resolution at its state meeting requesting the Indiana department to investigate and take definite action to correct "specific instances of violation" of two orders previously issued by the department concerning "profit sharing" contracts.

The resolution notes that "numerous violations of these regulations have been brought to the attention of local associations throughout the state, the Indiana Leaders Club, the department of insurance, and this body" and states that these violations "can be documented by affidavits and sworn testimony upon request of the insurance department's office."

### In Announcement Form

The two orders issued by the department and referred to in the resolution were in the form of an announcement to life companies operating in Indiana, entitled "Selling Methods and Materials," dated June 3, 1959, and a news release and directive, entitled "Profit Sharing and Coupon Contracts," dated December 16, 1959.

The "Selling Methods and Materials" announcement noted that during the past few years there have been a number of companies, both foreign and domestic, offering "profit sharing" contracts under various names to residents of the state.

The announcement said "Some of these have been ordinary life policies, at or near normal rates, but more often they are ordinary life at approximately the same premium as a 20

payment life policy. This enables the company to attach a number of guaranteed coupons thereto, and perhaps further state that they are going to allow a particular group of policyholders (4,000 to 5,000 perhaps) to share in 50%, 75%, or even 90% of the profits realized by the company on this group of favored few, who 'get in on the ground floor.' In other words, these are participating policies.

"The sales kit contains elaborate data, showing that back 75 years ago, some of these old companies appointed 'boosters' in each community to help secure and maintain business in force, for which they were paid a moderate fee. The implication is that 'we are going to appoint only a few such persons in each community, and these fortunate individuals will be richly compensated therefor, if they only become 'charter policyholders.' We don't need to point out that such an arrangement would be illegal in most states today, and the prospect is, therefore, being misled."

You'll enjoy "THE TWENTIETH CENTURY," Sundays, CBS-TV

## Falkstein, Gould Are Named To Texas Posts By Ga. International

Georgia International Life has expanded its operations into Texas and



Frank B. Falkstein



Donald L. Gould

has begun selling coverage there for the first time. In line with the expansion, Frank B. Falkstein and Donald L. Gould have been appointed regional directors of agencies with headquarters in Houston.

Mr. Falkstein, who is a member of Million Dollar Round Table, has been manager of Prudential's brokerage agency at the regional home office in Houston. He is the author of the booklet, "How to Be a No. 1 Man Through Prospecting," published by Insurance R&R.

Mr. Gould, a former division manager for Prudential, was a member of Prudential's Million Dollar Club. He is a CLU.

### Fla. Adopts Anti-Coercion Rules

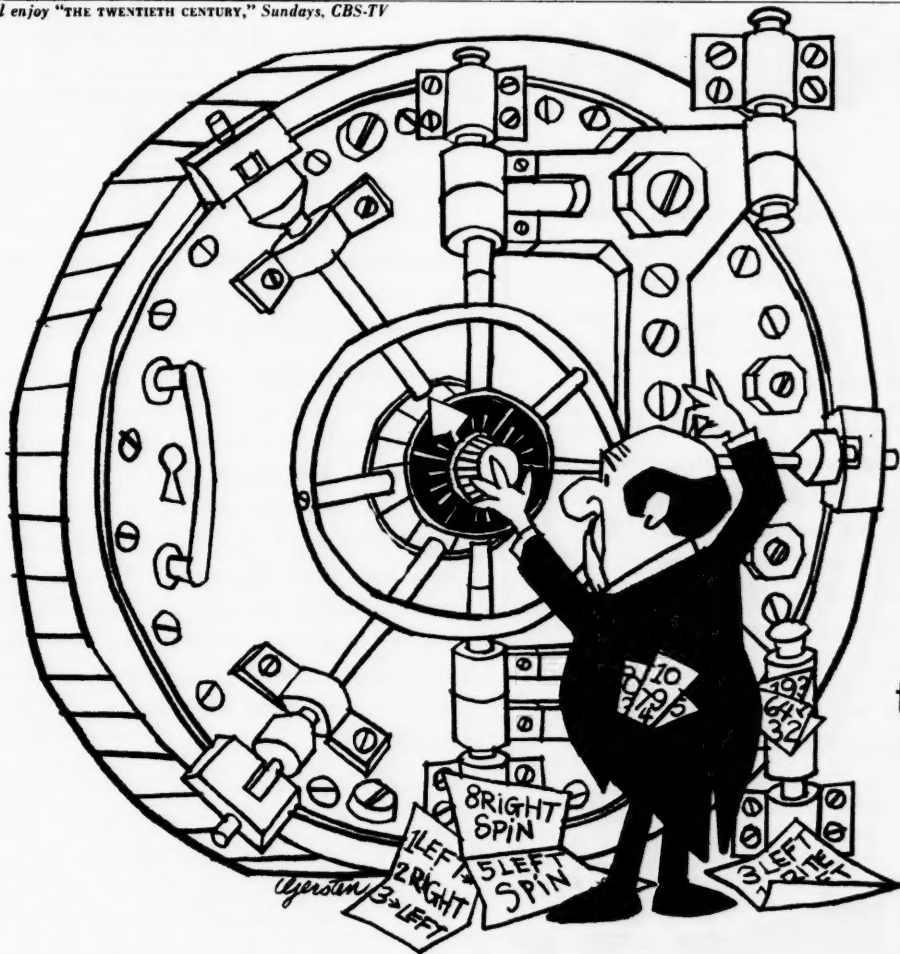
The Florida department has adopted a new set of rules and regulations on anti-coercion as they were proposed and reported earlier this year in THE NATIONAL UNDERWRITER. All other prior rules and regulations on anti-coercion were repealed by the department.



Life of Georgia looks to Life Underwriter Training Council as a significant factor in the development of the skill of its agency force. There are 345 LUTC Graduates in the field force. Another 370 fieldmen are enrolled in LUTC training courses.



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SERVING THIS FAST-GROWING REGION SINCE 1881



the right combination can make the job a lot easier

And that's exactly what Prudential's well-coordinated Advertising and Sales Promotion Program is designed to do.

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- AND a top-flight Sunday Newspaper Supplement Campaign
- AND a variety of excellent sales promotion pieces—

BUT ALSO, every Prudential representative knows that he can depend on concentrated Regional Home Office advertising campaigns to back him on the local level. This "right combination"—one that is always available to him—helps every Prudential representative bring more protection to an ever-increasing number of clients.



**The Prudential**

INSURANCE COMPANY OF AMERICA

TO OVER 35 MILLION PEOPLE—INSURANCE MEANS PRUDENTIAL

## New Ideas Given At Decatur Conference

(CONTINUED FROM PAGE 4)

over indecisive attitudes of the prospect if he has confidence. Mr. Hodges opined that CLU did more than anything to help him maintain a positive and enthusiastic attitude.

Mr. Beadles said that knowledge is not a state that one gets to or a condition one arrives at but continually works toward. A person who thinks he has acquired all the knowledge he needs is on the downward path. That

is why CLU continues to stress acquiring of knowledge.

The successful agent backed by knowledge will have poise; otherwise he will be ill at ease and will not be adequate in his selling habits. And added to poise, there is persuasiveness, which the agent cannot have without the poise that knowledge can give him. "These add up to power of the sound kind to get across the idea to the person you are talking to," said

Mr. Beadles. When these three are added together the answer is real prestige. Otherwise prestige is largely built on sand; a person may work on all the civic drives and other prestige builders he can manage, but people will say to themselves, "He is a good man but he does not know much about his business."

Mr. Leu added that he thinks one of the greatest failures is when leading agents sell less than 100 lives in a year.

Hobart M. Albright, general man-

ager New York Life, Peoria, chapter president, presided.

presentation of "Star Dust" written by Laflin C. Jones, Northwestern Mutual Life and performed by the Prairie Players of Decatur. This play has had a lot of mileage, but there has never been a meeting where it has been presented where the audience has not responded with the greatest of enthusiasm and emotion.

Mr. Hodges spoke on "How I Bait My App-Trap." He compared the strategy of luring a prospect into signing an application with actual trapping of game and the use of various kinds of "bait." He said this method of "trapping" prospects came to him about this third year in the business when he began to regard its benefits as something tangible to sell, since life insurance per se is an intangible.

### Uses Mental Pictures

He put into his sales kit a series of meaningful mental pictures, and found that certain of these pictures had magnetic tendencies and were excellent bait for his "App-Trap." In delineating the way the mental picture works, he said the prospect's objectives turn out to be an excellent opportunity to produce a tangible mental picture depicting the benefit involved. This, of course, entails discovering what the prospect has for objectives. The man is drawn out to produce his own mental picture and this is then "touched up" by Mr. Hodges to make it more alluring. He then explains the insurance plan that will make this materialize, but always in relation to the particular picture. "Don't superimpose other pictures during the talk. Keep the original before him," he stressed. He also advised concentrating on external objectives of the prospect rather than his internal motives.

Mr. Hodges also uses mental pictures to convey sales ideas to the prospect, since he feels that about all there is to selling is the successful communication of ideas. "Words alone are helpless to motivate. The prospect must get the idea," he declared. "Frequent transmission is the most dependable method of keeping lines of communication open." A third way he regards these mental pictures is as an effortless way of helping the prospect to remember things. "He remembers these mental pictures long after he has forgotten the details of the plan or what he bought," he declared.

### Palmer Gives Talk

Alden C. Palmer, who recently retired as commissioner of Indiana, spoke on "Destiny In Your Hands." He stressed the need to get back to old fashioned selling methods and said the most serious problem being faced today is the threat of federal control, not just the selling of insurance but every phase of business. "I have had experience with this as commissioner," he said. "The federal government is marshaling facts to attack state supervision." He emphasized that the insurance business is not "tooting its own horn enough" and not getting to the legislators. He advised the agents to be on their guard and said that even some of the commissioners' are encouraging federal interference by their actions, just as some doctors are injuring the medical business.

Social security is a "horrible mess," said Mr. Palmer, and one the agents will have to worry about. The end has not been reached and this is a sign of socialism coming on. He said also that government health plans and the like are being inspired by such men as Walter Reuther. He mentioned

# The Time is NOW!

The past dozen years have seen more changes in the life insurance industry than the preceding hundred years. The next dozen years are likely to be even more exciting . . . and profitable . . . for the professionally-minded life insurance counselor.

The inevitable boom in the 60's. Higher income levels. New tax and estate problems. New Social Security applications. Rapidly expanding Group Insurance and Pension Plans. Use of Mutual Funds in estate planning. Annuities. Personal and family finance. Knowledge of these and much more will build your client's confidence in you.

Rich rewards will go to the career underwriter who devotes time and talent now, pre-

paring himself to become a C.L.U. and render the brand of life insurance service more and more of today's clients require and expect.

No other industry surpasses life insurance in available professional training. Pinnacle of this training is the Chartered Life Underwriter program of the American College of Life Underwriters. Minnesota Mutual is pleased and proud to number many C.L.U.s among its field force and home office staff. We encourage others constantly to study and work for this honored designation. Talk it over with your Manager or General Agent, your local C.L.U. chapter, or a friend or colleague who is a C.L.U.



## The Minnesota Mutual Life

### Insurance Company

VICTORY SQUARE • ST. PAUL, MINNESOTA



## BELIEVE ME... You Need All THREE

### Mr. Agency Builder:

You should be making all those commission dollars that go with selling *complete* coverage to your clients:

1. Life—Par and Non-Par
2. A & S and Hospitalization
3. Group Life and Group A & S

### AND, BELIEVE ME, YOU NEED ALL THREE A & S COVERAGES:

1. Non-Cancellable
2. Guaranteed Renewable
3. Renewable-at-option-of-Company

### AND THEN ADD THESE THREE . . .

- 1) Top-Commission Agent's Contract;
- 2) Well-balanced General Agent's Contract providing liberal overwriting, liberal expense allowance, and higher life-time compensation in service fees;
- 3) New Induction Program—completely flexible for new agents, established producers, and brokers alike;

... and in our book that totals up to a client-pleasing, money-making, Agency Building opportunity for you—right now—with . . .

**THE OHIO STATE LIFE**  
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COLUMBUS 15 OHIO

**GENERAL AGENT OPPORTUNITIES**  
Write, Wire, Phone  
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HOWARD W. KRAFT, Vice President  
and Director of Agencies

the name deliberately and quoted him as saying, "Eventually we will get rid of these private enterprises."

Mr. Palmer said letters are piling up in Washington by the thousands inspired by labor unions and that the socialistic tendencies rampant in some of these unions must be checked, "or your business and mine will be ruined. This is a movement to strike your business down. The legislators don't get letters from you. Unless you use some get-up and get and unless you get to your legislators, your business will be taken away from you."

#### Should Contain Writer's Feelings

As to the type of letters, he said they should not be platitudinous but contain the writer's actual feelings in his own words, not stereotyped forms. These are recognized immediately. "Right there is destiny in your hands," he declared.

Mr. Palmer said the agent seldom thinks of the work he is doing in his day-by-day routine and has his own problems and pressures, and he does not have time to think of the long range effect his sales may mean. "You are writing up something that may easily run into the year 2000. You will be exercising an effect that far away. It is time to think of the span of the benefits your actions of today will produce tomorrow. The power you have in your hands is great. We have overlooked the responsibility of our job. You know things other people don't know and you see things other people can't. It's your duty to help them understand these things."

George N. Michale, Provident Mutual Life, Kansas City, gave a very detailed delineation of an actual interview in the field in which he prospects—medical students and young doctors. Before getting into the interview, he said the agent must have a predetermined point on which he plans to land. He, himself, set a goal of \$1 million as his number one point.

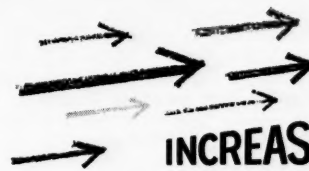
He also stressed the need for acting successfully. A proper mental attitude is involved—not being down in the dumps and that "business is always good." A third point is sacrifice. The agent must pay the price and work hard at the beginning if he wishes to achieve his goal. He must put business before pleasure. "You either pay the price the first few years or you pay the price during your whole career as an agent."

#### Hill Speaks At Dinner

At the Decatur association dinner during the Illinois meeting, Robert E. Hill, assistant professor of finance of University of Illinois, spoke on "In Economic Opulence—A Balanced View." In a discussion of economic growth in the 1960s, he practically made life insurance the white hope of economic stability. He said that while the 1960 decade may be relied upon to produce unimaginable advances, there are some danger spots.

A total of two-thirds of the world's population lives in underdeveloped countries and produces only 18% of the world's income. A distinguishing feature is persistency of the poverty in this group. Its output has been matched by an exploding population. These people will not be silenced, he said. The world is rapidly developing into two camps. The 1960s will require that "we step in and do something about it." This includes keeping prices stabilized.

The 1960s are a unique challenge for the insurance industry and the life agent can help combat internal dangers, partially through providing in-



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We live in an age when everyone expects to be worth more tomorrow than he is today.

Since personal insurance should coincide roughly with personal worth, isn't it logical for a man's insurance to grow as *he* grows? To increase with his importance to his employer?... the size of his family?... the worth of his own business?

Occidental's new Increasing Term policy does just that. *The coverage AUTOMATICALLY jumps each year—but the premium never changes!*

For example, during a 10-year period a \$10,000 policy will increase \$1,000 a year. At the end of the term the policy can be converted (without evidence of insurability) to \$20,000—*double* the initial amount.

And during this period the premium hasn't changed a cent.

For additional information call your nearest Occidental representative or write to our Home Office, Dept. 808.

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**We pay Lifetime Renewals... they last as long as you do!**



- Available for you—loans on your renewal commissions—for additional working capital, for business expansion, for personal use. Prompt, efficient, confidential service, from an organization that understands the needs and assets of life insurance underwriters.

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I am interested in your service. Please send further information, at no obligation to me.

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creased savings opportunities for the public, Mr. Hill declared. He cited the growing danger to the agents of lack of distinction in the U. S. between cash and credit. He noted that savings have been a built-in hedge for decades, but this is now no longer the case. It is up to the life agent to sell value received. Personal savings are going to decline in the '60s, so insurance takes on increasing importance as an investment commitment of the future.

General chairman of the sales congress was Joe Lewis of Decatur, Mutual Benefit H.&A.

### Dunbar Heads Agency Officers Round Table

George Dunbar, vice-president in charge of agencies of Mutual Life of Canada, was elected chairman of LIAMA's Agency Officers Round Table at its meeting in Hot Springs, Va. Mr. Dunbar succeeds Joseph L. Beesley, senior vice-president of Equitable Society.

Elected members of the round table were F. V. Olnhausen, Great Southern Life; Frank Vesser, General American Life, and A. Rogers Maynard, Metro-

politan Life, who has served for one year and was reelected for a full three-year term. E. Morton, North American Life of Canada, was elected to fill the unexpired term of Perry T. Carter, Travelers, who has retired.

### Crown Life Revises Non-Medical

Crown Life has revised its non-medical limits. For males, and single and married females, the table is: 0-9, \$10,000; 10-25, \$25,000; 26-30, \$20,000; 31-35, \$15,000; 36-40, \$10,000 and 41-45, \$5,000.

### Judge Price Succeeds Gibbs On Texas Board

AUSTIN—Gov. Daniel has appointed Judge Ned Price of Tyler, chairman of the Texas industrial accident board for three years, to the Texas board of insurance. He will succeed Joe P. Gibbs, who has been ill.

From 1945 to 1949, Judge Price served in the insurance department as director of title insurance under Mr. Gibbs. He has served three terms in the Texas house of representatives and nine years as Smith County judge.

### Miss Martin Named Head Of Insurance Librarians Unit; Two Veterans Honored

Mona Martin, librarian of Great-West Life, was elected chairman of the insurance division of Special Libraries Assn. at its annual meeting in Cleveland. Librarians from more than 50 life, fire and casualty companies and associations attended the meeting.

Elected vice-chairman was Elizabeth Ferguson, Institute of Life Insurance, and Kathleen S. Edwards, Farmers group of Los Angeles, multiple line insurers, was named secretary-treasurer.

Miss Florence Bradley, retired librarian of Metropolitan Life, and Miss Pauline M. Hutchison, librarian of Canada Life, were elected to the "hall of fame."

Miss Bradley, who retired as Metropolitan's librarian in 1948, was the association's first vice-president and is a past president of the New York chapter. Miss Hutchison was one of the Toronto chapter's charter members and served as its first president, 1940-41.

The hall of fame was inaugurated at the 50th annual convention, in 1959. Miss Bradley and Miss Hutchison are the second and third insurance librarians to be elected.

### Government Employees Declares Stock Dividend

Government Employees Life has declared a stock dividend of 2% payable June 15 to stockholders of record June 3.

A total of 8,658 shares will be distributed, and \$12,987, representing par value of the shares issued, will be transferred from surplus to capital. The company will pay cash value for fractional shares.

The regular semi-annual cash dividends of 12½ cents was declared on the new amount of shares.

National Travelers Life of Des Moines had the largest month in its history in May, with \$8,286,246 written.

### A Service Guide A

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Life Insurance in force in RECORD TIME."

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Assistant Vice President and  
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LIFE • ACCIDENT • SICKNESS • MEDICAL AND SURGICAL REIMBURSEMENT • HOSPITALIZATION  
GROUP • PENSION • FRANCHISE • BROKERAGE • COMPLETE REINSURANCE FACILITIES



## 'Terminological Chaos' Costs Industry Money

(CONTINUED FROM PAGE 2)

most popular economics text, in writing of industrial life insurance, observed that 'just as the Holy Roman Empire was neither holy, nor Roman, nor an empire, so industrial insurance is not industrial and it is hardly insurance. It has nothing to do with industry but is used to refer to the few-hundred-dollar policies sold primarily to the very poor, usually for burial money.'

"This rather breezy and flippant characterization is quoted not for an indication of the economists' understanding of insurance but rather to reflect the inappropriateness of the terminology we have selected for a major branch of life insurance."

As evidence that the public, not just insurance people, are involved in this confusing terminology, Mr. Gregg quoted from a news item in the Wall Street Journal of May 24, 1960, the following passages:

"So-called ordinary life insurance—standard policies of the sort the average individual buys—fell 0.7% . . .

"Industrial life insurance—small individual policies on which weekly premiums are collected by door-to-door agents—also declined, to . . .

"Group life insurance—one contract, bought as a rule by an employer, covering a number of persons, showed a . . ."

### Reflects Terminology Weakness

"Do you sense the problem of delineating these three types of insurance?" Mr. Gregg asked. "Is it just possible that the wording 'so-called ordinary life insurance' reflects a weakness in our terminology and in our ability to communicate?"

Going on to other life insurance illustrations, Mr. Gregg said it seems unlikely that any life insurance term is more misunderstood than "reserve."

"We speak of financial reserves of companies as assets, whereas actually they are the complete opposite, namely, liabilities," he pointed out. "Life insurance companies have the reputation in some quarters of being 'rich as Croesus,' when actually they should be viewed as depository institutions with tremendous liabilities to policyholders."

### 'Dividend' Called Confusing

"And how about the word 'dividend' as used in life insurance? Just how confusing is it to the public, to writers, to legislators, to judges, and the like? How about such terms as 'premium,' 'straight life,' 'whole life,' 'non-forfeiture,' 'supplementary contract,' and 'annuity certain,' to mention but a few."

Health insurance has its language problems too, said Mr. Gregg.

"For years, even we in insurance have struggled to find the appropriate generic term for the entire field," he observed. "At one time 'accident and health' seemed to be the accepted term. Then along came 'health and accident,' 'accident and sickness,' 'sickness and accident' and 'disability' as alternatives. A close examination of the variety of terms now employed by companies, associations, text writers and others would be funny, were it not so sad."

### 'Commercial' Sounds Mercenary

"Did you ever stop to wonder what effect there might be on the public's mind of the designation of private health insurance companies as 'commercial' health insurers, especially when contrasted to 'voluntary health

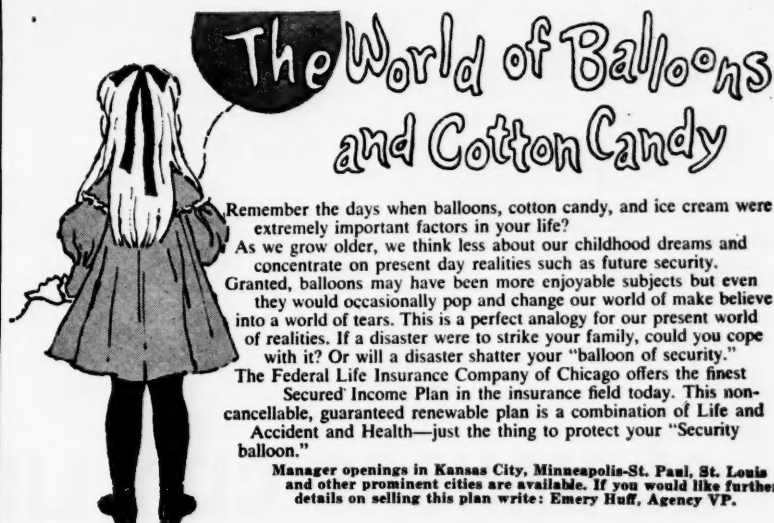
plans' or 'non-profit health insurance'? Is it possible that the label 'commercial' has prejudiced private company activities in legislative and labor-union halls?

"Compare sometime the contracts and sales promotion materials of private insurance companies and Blue Cross plans. Most likely you will find the latter written in simple, understandable, non-technical language, whereas the former will be filled with technical insurance jargon. The benefits may be essentially the same; the language is almost always different. Is it possible that tradition puts us at a disadvantage and that if we really wanted to, we could escape from these shackles?"

### Many Other Illustrations

"The field of health insurance can serve up many more illustrations. Take just one more, however: What do you suppose 'non-cancellable guaranteed renewable disability income' means to John Doe and Richard Roe?"

Property insurance, with its ancient categories like marine and fire insur-



Remember the days when balloons, cotton candy, and ice cream were extremely important factors in your life?

As we grow older, we think less about our childhood dreams and concentrate on present day realities such as future security.

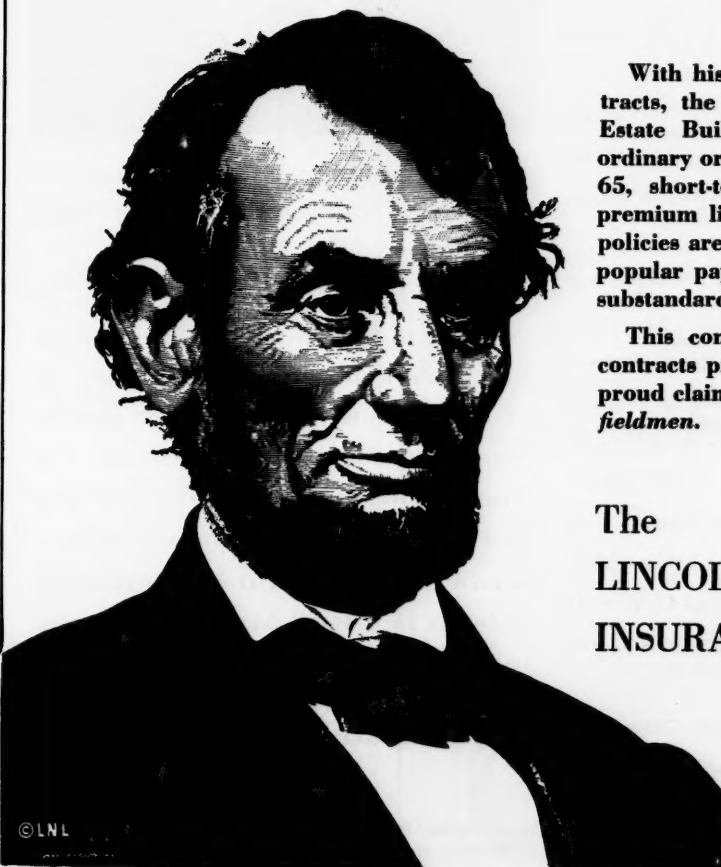
Granted, balloons may have been more enjoyable subjects but even they would occasionally pop and change our world of make believe into a world of tears. This is a perfect analogy for our present world of realities. If a disaster were to strike your family, could you cope with it? Or will a disaster shatter your "balloon of security."

The Federal Life Insurance Company of Chicago offers the finest Secured Income Plan in the insurance field today. This non-cancellable, guaranteed renewable plan is a combination of Life and Accident and Health—just the thing to protect your "Security balloon."

Manager openings in Kansas City, Minneapolis-St. Paul, St. Louis and other prominent cities are available. If you would like further details on selling this plan write: Emery Huff, Agency VP.

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The  
**LINCOLN NATIONAL LIFE  
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Fort Wayne, Indiana

**Its Name Indicates Its Character**

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ance, has had longer than life, liability and A&S to clarify its language—or viewed in the other respect, to fowl it up, said Mr. Gregg.

"There is evidence that all is not well in this area," he continued: "Have you ever tried to figure out what is meant by 'inland marine' insurance? And what about 'floaters' policies so common to this field? As a homeowner, did you ever wonder about 'extended coverage' insurance; or even more interesting, the 'additional extended coverage' insurance now available?"

"And what about 'casualty insurance,' a term which has always had a vague and indefinable meaning even to persons in insurance? If casualty is to be interpreted in its dictionary meaning of 'accident,' then all property insurance, including fire insurance, logically is casualty insurance."

#### 'We Created The Problem'

Analyzing the language problem that plagues all branches of insurance, Mr. Gregg expressed the belief that "it is we in insurance who have created our problem."

"It was Humpty Dumpty of Alice in Wonderland fame who said, 'When I use a word, it means just what I choose it to mean—neither more nor less,'" said Mr. Gregg. "It is we who have individually and collectively Humpty-Dumptyed our language to the point that it is hard even to understand each other. Pity the poor public!"

"As much as we might want to blame our forebears in insurance for our language legacy, it is we who are squarely in the spotlight. It is we who make the language. If we wish to

continue confusion, we can do so. We wish to seek clarity, this can be done. Our opportunity is summarized in the truth that 'dictionaries not make the language; language makes the dictionaries'—the theme of the Commission of Insurance Terminology."

#### Established By Teachers

The commission, Mr. Gregg called, was established in 1959 by the American Assn. of University Teachers of Insurance, and financed by the association, to introduce in an evolutionary way greater clarity and exactness in insurance terminology. The commission's objectives are:

—To engage in a continuing study of insurance language (words and phrases) to evaluate the effectiveness of the language and recommend improvements where desirable.

—To accumulate and publish a glossary of insurance words and phrases on which there is general agreement among practitioners and educators as to their meaning.

#### Continued Program Is Aim

—To develop a continuing program of information by which writers, editors, insurers and others will have available more accurate and meaningful insurance terminology and "through the art of gentle persuasion and assistance to those who make the insurance language, gradually bring some order out of the present chaos."

—To cooperate with any other groups or individuals seeking to attain improvement in insurance terminology.

The pilot group that is working on these objectives is the committee on health insurance terminology, made up of 24 persons with E. J. Faulkner, president of Woodmen Accident & Life, as chairman.

#### Was It Rightly Named?

"It is interesting to note," said Mr. Gregg, "that this committee has spent a great deal of its time during its first year of operation in determining whether or not it was properly named at the outset." The committee's first report was published in the AAUIC Journal of Insurance for March and Mr. Gregg recommended a reading of it to his listeners "not only because it reflects a fascinating interplay of ideas and opinions but also because it is reflective of the kinds of problems to be expected in the future work of all committees."

The committee on pension and profit-sharing terminology has been organized and will begin its work this year. It is headed by Dan M. McGill, who is Frederick H. Ecker professor of life insurance at University of Pennsylvania. Other committees, now being organized, will cover property insurance terminology, life insurance

# at KANSAS CITY LIFE ... and in his community the agent is KEY MAN

At Kansas City Life the agent is  
Key Man.  
He is ALSO  
Key Man in his community.

An outstanding example of this broad concept of the "Key Man" is Kenneth M. Colston of Kansas City, Missouri.

Because he was a leader in volume for Kansas City Life in 1959, Mr. Colston was designated as Vice President, Volume, of our President's Club for 1960. He was installed at that Club's Sixteenth Annual Seminar held at New Orleans April 24-27. He is a qualifying member of the Million Dollar Round Table and this will be his eleventh year to receive the National Quality Award.

Winning honors at Kansas City Life is nothing new to Kenneth M. Colston. He has qualified for the President's Club each of the fourteen



years he has been with the Company. In 1956 he was the Club's Vice President, Renewals.

Like our other leaders, Kenneth M. Colston is active in community affairs. He is a deacon and treasurer of his church, past officer of the Kiwanis Club, and an officer of the Life Underwriters Association of Kansas City to name a few of his activities.

It can truly be said that Kenneth M. Colston is a KEY MAN to his community as well as to Kansas City Life.

**KANSAS CITY LIFE**  
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#### CONSULTANTS

IN MARKETING AND  
FOR THE  
MANAGEMENT  
INSURANCE BUSINESS  
**FRANK LANG & ASSOCIATES**  
ONE NORTH LA SALLE ST. CHICAGO 2, ILLINOIS  
321 FIFTH AVENUE  
NEW YORK 17, N.Y.



terminology and general terminology, the latter to be concerned with insurance language that cuts across all branches of the business.

#### Discusses Dual Function

"Our experience thus far suggests that the work of the commission and its committees will develop along two basic lines," said Mr. Gregg. "In the first place, it shall be their responsibility to consider words and phrases within their respective fields and, where desirable, re-define terms in an effective manner."

"The second function is to communicate the decisions to writers, editors, speakers, legislators, companies and librarians, and persuade these groups to adopt the improved language. In regard to the second function, it should be mentioned again that 'dictionaries do not make the language; language makes dictionaries.'"

#### Users Must Do It First

"In other words, dictionaries adopt meanings only after the users of language adopt these meanings. Hence, the work of the commission must be embraced by insurance if it is to have value. If, for example, companies, textbook writers, librarians, legislators and the like will not adopt 'health insurance' as the generic term to describe this branch of insurance, then inevitably this decision of the committee on health insurance terminology will be a sterile one. In the same sense, if this term is gradually adopted, then inevitably it will show up in the dictionaries of the future as the generic term for this field."

Touching on the speed with which language changes will be made, Mr.

Gregg said the commission has adopted the concept that evolutionary change—as contrasted with the revolutionary variety—must be the keynote.

"Inevitably, recommendations which are revolutionary in form or timing will meet distrust and resistance," he said.

Insurance librarians, said Mr. Gregg, occupy key positions with relation to the commission's work, and "we hope always to have your interest and cooperation in this long-range project."

#### Scheduled For June 20-23

An "Expanding Markets Sales Seminar" will be held at the University of Denver, civic center campus, June 20-23.

Conducted by SMU institute, the annual seminar is sponsored by Colorado Assn. of Life Underwriters, Denver Assn. of Life Underwriters and the university.

Among the subjects to be discussed during the four full days of classes are "What You Should Know About Mutual Funds," "What is Estate Planning," "Key Men Have Problems, Too," "Why People Buy," and "Kids Are Prospects."

Sessions will be under the direction of C. E. Gaines, director SMU institute, and Perry W. Miller and Frank Crowder, both associate directors. Attendance is limited to full time representatives of legal reserve life companies and the enrollment is limited.

Mutual Trust Life reports personal life sales for May topped all previous records for that month.

## GENERAL AGENT'S OPPORTUNITIES

Liberal salary; plus company furnished automobile, plus all expenses for 2 years while you are recruiting and developing your General Agency in one of the following Key Cities:

Denver, Colorado	Arlington, Virginia
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Ages 27-45; college graduate; active church member.

Write stating qualifications to:

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Fidelity Union Life Insurance Company

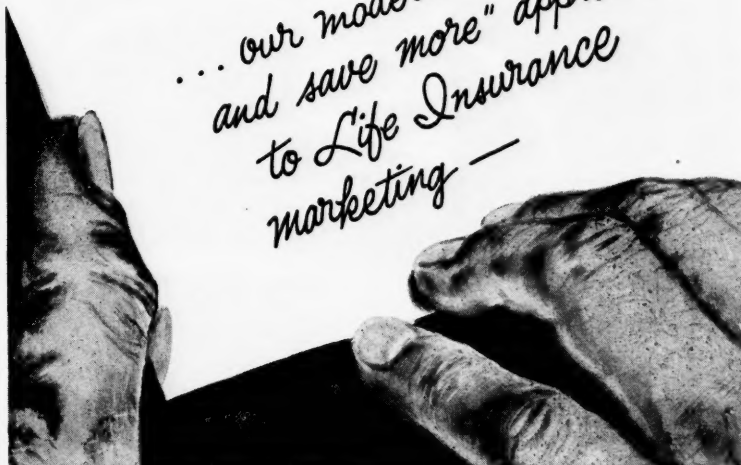
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**"Volume Savings"**

... our modern "buy more and save more" approach to Life Insurance marketing —



Jefferson Standard's new "Volume Savings" concept creates larger sales by giving policyholders a true quantity discount . . . yet offers even \$1,000 amounts at attractive rates. "Volume Savings" gives the Jefferson Standard agent a vital sales advantage at every level of today's competitive market.



**Jefferson Standard**  
 LIFE INSURANCE COMPANY  
 Home Office: Greensboro, N.C.

## Changes In The Field

### Columbian National Life

J. E. Harrington has been appointed manager of a new agency at New York. He has been a brokerage consultant of Connecticut General at New York and before that was with Guardian Life.

C. B. Hennings Jr. has been appointed manager at Des Moines. He

has been with Bankers Life of Nebraska at Des Moines.

W. C. Raitt has been named regional director of sales with headquarters in Minneapolis.

### Connecticut General

R. G. Hight, group pension agent at Baltimore, has been appointed district

group pension manager at Boston. D. H. Riemer, formerly with the New Haven group office, has been named assistant district group manager at Philadelphia. R. G. Poppleton, group agent at Pittsburgh, becomes assistant group manager at New Orleans.

### Occidental Of California

L. J. Miller has been appointed assistant branch manager at the west Los Angeles office.

F. E. Hutton has been named assistant manager at Pasadena.

J. A. Richards has been appointed

assistant brokerage manager at the Newark office. He has been with Prudential the past two years.

### Patriot Life

N. J. Farago has been appointed general agent for Rockland County, N. Y., with headquarters at Suffern. He has been assistant manager for Connecticut General at Garden City and is a CLU.

A. J. De Lorenzo has been appointed general agent at Huntington, N. Y. He has been assistant general agent of Postal Life at Huntington Station and before that was with Equitable Society.

### General American

F. M. Siegfried has been appointed district group manager at Memphis and John F. Denstaedt is group representative at Detroit. Mr. Siegfried has been with Mutual of New York, and Mr. Denstaedt was in sales with Michigan Blue Cross.

### Manhattan Life

V. A. Carlin Jr., former assistant to the general agent at Washington, D.C., has been appointed general agent at New York. He entered the business with New York Life.

### State Mutual Life

R. J. Hymel Jr. has been appointed manager at New Orleans, where he has been a supervisor for Massachusetts Mutual. He is a member of the 1960 Million Dollar Round Table.

### Connecticut Mutual Life

E. P. Neal Jr. has been appointed general agent at New York. He has been assistant general agent for Northwestern Mutual there since 1956.

### Pan-American Life

W. H. Crow Jr. has been appointed general agent at Alexandria, La., to succeed P. L. McKenzie, who has retired. Mr. Crow has been with New York Life.

### Colonial Life

R. L. Kunz has been appointed resident superintendent at Kansas City. He has been manager and division manager for Prudential.

### Union Mutual Life

Roger Fulton, group agent at the southern New England group office at Boston, has been promoted to regional group manager there, succeeding R. L. Roberts, who has been named director of group sales and service.

### National Life Of Vermont

D. B. Huston has been appointed general agent at Milwaukee, where he has been with Northwestern Mutual. He is a CLU.

### Confederation Life

R. W. Kellogg has been appointed general agent at Miami. He has been general agent for Union Mutual Life.

### American Bankers Life Of Fla.

The Cowart, Soper & Castleberry agency has been appointed general

Report from Chicago . . .

# Dynamic Growth ...

Ranking	Company	Total Insurance In Force \$
1960 1959		
99 98	Savings Bank, Mass. Group	54,490,686
100 101	Bankers Life, Neb.	673,840,980
101 166	North Amer. Co. for L. A. & H. Group	58,654,521
	Group	367,489,000
103 100	Security L. & A., Colo. Group	247,991,502
	Group	658,193,838
104 99	West Coast, Cal. Group	363,667,415
	Group	654,903,068
106	Columbian Natl. Mass. Industrial Group	11,966
	Group	646,979,435

Growth and progress . . . dramatically portrayed by The National Underwriter's latest rankings of 717 companies—North American up 65 positions over the previous year!

This is a typical North American action story—a continued story.

The reason: at North American *Total-Quality\** has been fused with modern, professionally tested *total-merchandising*. Together they command the authority that wins sales for North American fieldmen.

Whatever the aim may be in life insurance sales, The North American's positive performance spells success!

*\*Total-Quality is the mark of distinguished products by North American since 1886.*

UP  
65  
Positions†

†Authority:  
The National  
Underwriter.  
Based on 717  
Companies  
Reporting

The  Since 1886

**NORTH AMERICAN COMPANY**  
For LIFE, ACCIDENT AND HEALTH INSURANCE

209 SOUTH LA SALLE STREET • CHICAGO 4 • ILLINOIS

Operating in 48 states and District of Columbia Now over \$700,000,000 in force

## ACTUARIES

Lenard E. Goodfarb, F.S.A.  
Consulting Actuary

Market Street National Bank Building  
Philadelphia 3, Pa. Rittenhouse 6-7914



at the  
with Pru-  
gent at Miami. Faris Cowart, presi-  
ent of the agency, is a member of  
the metropolitan commission of Dade  
county. D. J. Soper has been with  
travelers and K. D. Castleberry with  
Connecticut General. Messrs. Soper and  
Castleberry are vice-presidents of the  
agency, which will open an office in  
oral Gables late in June.

### Western Life, Helena

H. A. Gokey has been named group  
manager for Georgia, Florida and Ala-  
bama with offices in Jacksonville, Fla.  
He formerly was regional group re-  
presentative for Gulf Life in Miami.

### Manufacturers Life

E. H. Brooks, assistant manager at  
Indianapolis, has been appointed man-  
ager of the new agency there.  
C. B. Daiger, manager at Boise, Ida.,  
has been named manager at Spokane,  
succeeding R. H. Moffett, who becomes  
brokerage manager of the new broker-  
age agency at Phoenix.

### Home Life Of New York

C. R. Klem, former assistant man-  
ager at Denver, has been appointed  
manager there and E. C. Grayson, be-  
comes manager at San Francisco, where  
he has been acting manager.

### American Life Of New York

The Weghorn general lines agency  
New York has been appointed gen-  
eral agent for A&S with E. G. Bullis  
manager of the department.

**GENERAL LIFE** of Wisconsin has  
appointed the Linton agency as its  
general agency at Eau Claire, Wis.

**LUTHERAN BROTHERHOOD** has  
named R. E. Thorp Jr. general agent  
New York, Pa.

**PIONEER MUTUAL LIFE**—E. J.  
Armody has been appointed regional  
superintendent of agencies.

**NORTHERN STATES LIFE** of Mil-  
waukee has appointed H. J. Crabb  
general agent for the Appleton, Wis.,  
area.

**FRED S. JAMES & CO.** has ap-  
pointed D. E. Streit manager of life,  
A&S and claims at Buffalo. He was  
brokerage supervisor of life and A&S.

**LINCOLN NATIONAL LIFE**—F. R.  
Lange has been appointed general  
agent in San Diego, succeeding W. J.

Mecke and D. C. Andre, former co-  
general agents.

**TENNESSEE LIFE**—W. E. Price  
has been named manager of the com-  
pany's newly opened second agency  
office in Houston.

### Retirement Book Inspires Oldster Clubs In Japan

"Begin Now to Enjoy Tomorrow,"  
a book published by Mutual Benefit  
Life, has been credited by a Japanese  
welfare official as being the inspira-  
tion for the founding of clubs for old  
people in the town of Osaka.

The book, written by Ray Giles, con-  
cerns problems of elderly people and  
their preparation for retirement.

Kiyoshi Ikegawa, assistant director  
of public welfare, Osaka, received a  
copy of the book in 1952, translated it,  
and put its ideas on vocational and  
social clubs into use.

In a letter of appreciation to Mutual  
Benefit Life, Mr. Ikegawa said, "Your  
book gave me a strong spirit to start  
the senior citizens clubs; now there  
are about 250 clubs in Osaka City."

### Milwaukee Claim Assn. Elects Olson President

N. R. Olson, Old Line Life, has been  
elected president of Milwaukee Acci-  
dent, Sickness & Life Claim Assn.  
Other officers are Jean A. Carey, As-  
sociation Ins. Co., vice-president; Glen  
Alexander, Personal Indemnity, sec-  
retary, and James Abrams, Catholic  
Knights, treasurer.

### Executive Secretary Named

Thomas R. Seifert has been named  
executive secretary of Washington  
State Assn. of Life Underwriters and  
Seattle Life Underwriters. Mr. Seifert  
has been an officer in the navy since  
1956 and during the past two years  
has filled a public information billet  
at the Naval Air Station, Alameda,  
Cal.

### State Mutual Leader In Life Sales

Timothy W. Foley, director of brok-  
erage sales for State Mutual Life's  
Nelson agency at New York, led the  
field force in life sales for the period  
ending April 30, with a production  
total of \$1,426,398.

## How often will you be "supporting" a family while the wage earner is disabled?



When a family gets a monthly  
insurance check during the  
wage-earner's disability, there  
is just one person to thank for  
it—a conscientious insurance  
agent.

The man who has written an Accident and Sickness Disability Income  
Policy has, of his own initiative, provided the funds to help pay that  
family's food and fuel bills, its mortgage or rent bills, its life and fire  
insurance premiums.

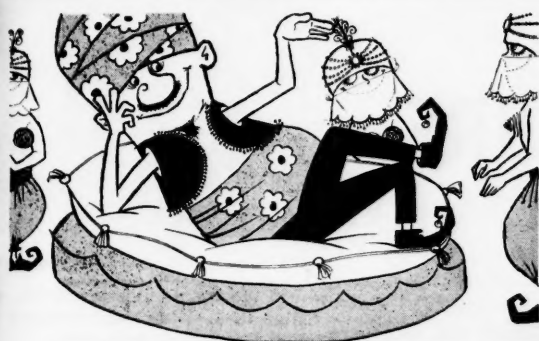
### The New Protector Disability Income Policy

One excellent policy to use in making your contribution to family security  
is Acco's New Protector Disability Policy. A number of optional plans are  
provided but the best of them all is the plan which pays a monthly income  
for BOTH Accident and Sickness as long as a LIFETIME.

As an example, one "lifetime" program pays \$200.00 a month,  
starting with the 31st day of disability from accident or sickness. The  
cost is only \$67.00 a year for a preferred risk (male to age 49) in most  
states. The Protector Income Policy may be written for employed women  
ages 18 to 59; men ages 18 to 74. Write for information.

## AMERICAN CASUALTY

61 Branch and Service Offices Coast to Coast  
HOME OFFICE — READING, PENNSYLVANIA  
SINCE 1902



## LIFE AND CASUALTY GROUP INSURANCE IS THE GREATEST

\*Offering Brokers a complete line of Group Coverages  
Major Medical . . . Creditor Group Life . .  
Bantam group for the smaller cases . . .  
and all standard group coverages.

Our Group Insurance Director, Jim Rundle, has full  
information . . . Drop him a line . . . He'll  
be glad to answer your questions or to  
make a proposal on your next case.

Life Insurance in Force  
over \$1,700,000,000

Life and Casualty  
Insurance Company of Tennessee

HOME OFFICE  
NASHVILLE



### HELP IN MAKING SALES...

is afforded Nalac field underwriters by this new "pocket-size" visual. Convenient to use, it provides a positive sales track for the prospect interview. Another good example of how North American paves the way for *Confident Selling*.



**NORTH AMERICAN**  
*Life and Casualty Company*

LIFE • SICKNESS • ACCIDENT • GROUP  
HOME OFFICE: MINNEAPOLIS, MINNESOTA

H. P. SKOGLUND, President  
J. E. SCHOLEFIELD, C. L. U., Vice President, Director of Agencies  
Over \$900 Millions of Life in force.

## Home Office Changes

### Citizens Life Of New York

Joseph S. D'Adamo, head of the accounting department since 1957, has been elected secretary. He has also been assistant secretary of Continental Assurance and a member of the New York insurance department's liquidation bureau. He entered the insurance business with United States Life.



Joseph S. D'Adamo

### Equitable Society

J. J. Sullivan, assistant manager in the commissions and rate division of the group department, has been appointed staff specialist in the management control data section and is succeeded by G. F. Waters, former assistant manager of group sales.

### Zurich

R. S. Phillips has been appointed director of group sales. He has been with Security Benefit Life as assistant vice-president and with Bankers Life of Iowa.

### Life Of Virginia

R. B. Tate, former auditor, has been appointed treasurer to succeed the late R. Turner Arrington. Mr. Tate is succeeded by J. R. Condrey, assistant auditor.

### Northwestern National

G. J. Calvert, since 1954 an agent at Great Falls, Mont., has been named a supervisor for the company's north central division.

### Manhattan Life

Philip Lally, controller since 1958, has been appointed controller and 1st assistant secretary.

### Shenandoah Life

A. L. Thornton Jr., has been appointed superintendent of the group department. He has been at Richmond

as manager for American Casualty and has had many years experience group sales and supervision.

### Life Of North America

F. C. Small, supervisor of field compensation, has been appointed manager-field compensation division of life controllers department. He has also been supervisor of field compensation for Great-West Life.

### Security Mutual Of New York

Neil F. Barry has been appointed assistant superintendent of agencies. He has been assistant general agent of State Mutual Life's home office agency. Edward F. Kehoe, assistant pension



Neil F. Barry



Edward F. Kehoe

trust manager, has been promoted to pension trust manager to succeed the late Albert J. Schock. Before joining Security Mutual in December, Mr. Kehoe was a pension consultant of John Hancock at Boston.

### State Mutual Life

J. R. Covington has been elected director. He is vice-president and director of the Oliver Corp., manufacturers of farm and industrial machinery.

### Western Life, Helena

O. P. Ostrom Jr. has been appointed agencies superintendent for Minneapolis and southern Minnesota. He succeeds the late Sheldon Beise. Mr. Ostrom has been with Financial Reserve Life and Penn Mutual.

R. S. Lawrence has been named



O. P. Ostrom Jr.



R. S. Lawrence

central regional vice-president, succeeding R. L. Utne, who recently was named agency vice-president.

W. W. Petroski has been appointed manager of the company's newly formed pension division. He has been pension and tax attorney for Northwestern National Life for the past three years.

WESTERN LIFE of St. Louis has promoted S. E. Byars to treasurer, W. C. Mills to secretary, and Miss Mary D. Hatfield to assistant secretary.

### Prudential

J. E. Fennell has been appointed general investment manager in the bond department. He has been a se-



## MAN WITH A FUTURE

The well-adjusted man plans wisely for advancement and success in his chosen field. He also provides for possible future emergencies, and for some of the finer things of life, as well: Education for his children—a home for his family, always—a carefree retirement in later years. He fulfills his obligations to his family, and to himself through a well-planned life insurance program, tailored especially to fit his needs. Our agents find Modern Woodmen's many plans an invaluable aid to intelligent programming.



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It's Modern Woodmen**

**MODERN WOODMEN of America • Home Office • Rock Island, Ill.**



urity analyst and administrative as-  
stant to the director of research of  
Colonel D. Edie & Co., New York in-  
vestment counselors.

**CITADEL LIFE** of New York has  
appointed William H. Bender Jr. as a  
sales consultant, Jose T. Morfin di-  
rector of underwriting and Dr. Robert  
Kluft medical director. Mr. Bender  
is a former general agent of National  
Life of Vermont at New York. Mr.  
Morfin has been with Northeastern  
Life, American National and Franklin  
Life.

**FINANCIAL LIFE** has named R. B.  
Morgan vice-president.

**CANADA LIFE**—Dr. R. W. Graham  
has been named assistant medical  
director.

**LONDON LIFE** has promoted W. H.  
Scott and I. R. Taylor, senior actuarial  
assistants, to assistant actuaries and  
J. J. Perkins, also a former senior  
actuarial assistant, to assistant group  
actuary.

Alan Little has been appointed as-  
sistant actuary of **SUNSET LIFE**. He  
joined the company in 1958.

**OLYMPIC NATIONAL LIFE**—R. L.  
Haines, assistant vice-president, has  
been also appointed treasurer.

Franklin C. Seford Jr. has been  
elected secretary and a director of  
**SOUTHERN EQUITABLE LIFE** of  
Little Rock. He was secretary of Na-  
tional Equity Life until it was merged  
with National Old Line in March and  
succeeded had been with National Equity for 23  
years.

**EASTERN LIFE** has elected N. L.  
Hines, vice-president and a director,  
to the office of chairman. He is also  
president of the magazine publishing

firm of Pines Publications, Inc., and  
of Popular Library, Inc., publishers of  
paperback books.

## New Mutual Fund Lists Life Company Holdings

Capital Life Insurance Shares, a new  
open-end investment company, has  
made public its holdings in life com-  
panies, having a total market value of  
\$1.5 million. The numbers of shares  
held in each company are 500 Aetna  
Life, 1,000 American General, 5,000  
American National, 1,500 Business  
Men's Assurance, 1,000 California-  
Western States, 2,000 Commonwealth  
Life, 200 Connecticut General, 450  
Continental Assurance, 700 Franklin  
Life, 700 Great Southern Life, 1,500  
Jefferson Standard, 2,600 Liberty Life  
of South Carolina, 1,000 Liberty Na-  
tional Life, 3,000 Life & Casualty of  
Tennessee, 600 Life of Georgia, 1,200  
Life of Virginia, 200 Lincoln National,  
900 Massachusetts Protective Associa-  
tion, 500 National Life & Accident,  
3,500 National Old Line, 1,500 Nation-  
wide Corp., 600 Provident Life &  
Accident, 1,200 Southwestern, 2,000  
Transamerica Corp., 500 Travelers,  
1,200 United Services Life, and 1,400  
United States Life.

The mutual fund also carries a small  
portfolio of growth stocks in fire and  
casualty companies, and utilities.

## Lorback Joins LOMA Staff

Eugene R. Lorback has joined the  
planning and research staff of Life  
Office Management Assn. He has been  
with Manhattan Life for eight years,  
as assistant general agent of the Haas  
agency at New York and before that  
as assistant manager, new business, at  
the home office.

## United Pacific Enters Individual Life Field

United Pacific Life is marking its  
entry into the individual life field with  
a new policy called "Thrifty-Life," a  
low-premium, non-medical guaranteed  
renewable term plan written in con-  
junction with any individual policy  
issued by the company or its subsidi-  
ary, Cascade. Premium is \$30 a year  
and provides coverage up to \$10,000  
available to age 45 and automatically  
renewable to age 60.

Coverage is based on insured's actual

age as follows: Under 32, \$10,000;  
32-36, \$7,500; 37-44, \$5,000; 45-49,  
\$3,000; 50-54, \$1,500; 55-59, \$1,000. A  
short form non-medical application is  
required. Heretofore the company op-  
erated only on a group basis in the life  
field. The new policy is the first step  
in a projected program of expansion.

**Oklahoma Assn. of Home Office Life**  
Underwriters heard Dr. Harry E. Un-  
gerleider, consulting medical director  
North American Re, speak on "Newer  
Horizons in Medical Underwriting" at  
the meeting in Oklahoma City.



## Take FULL Measure of the Company YOU Seek

### EARNING POTENTIAL

Protective Life's General Agents Agreement  
provides top commissions, overriding com-  
missions, vested renewals, service fees and a  
liberal expense arrangement.

### COMPETITIVE POSITION

Protective Life meets competition on all forms  
of Ordinary Life policies, both Par and Non-  
Par, and on all types of Group Insurance.

### STABILITY

The last regular examination of the affairs of  
Protective Life shows that the Company has  
\$113.99 of resources for each \$100.00 of  
liabilities.

### PROGRESSIVENESS

Protective Life has an Audio-Visual Selling  
Program, Quantity Discount premium system,  
and writes such "special" coverages as Dis-  
ability Income and Guaranteed Insurability.

### REPUTATION

Protective Life is now in its 52nd year of  
successful operation, has more than a billion  
dollars of life insurance in force and carries  
an "Excellent A Plus" rating by independent  
authorities for the ranking of insurance com-  
panies.

### OPPORTUNITY

General Agency opportunities unlimited  
throughout the Southeast for experienced  
Agents doing well in life insurance business,  
yet somewhat impatient with prospects for  
future advancement.

Please address your inquiry, giving age and ex-  
perience record, to C. B. Barksdale, Agency Vice-President

## PROTECTIVE LIFE INSURANCE COMPANY

William J. Rushton, President  
BIRMINGHAM, ALABAMA



"COMPETITIVE? ... YOU BET  
UNITED LIFE'S COMPETITIVE!  
Look at this FAMILY BENEFIT  
PACKAGE!"

1. Father selects his basic life insurance plan.
2. He adds to it the United Family Benefit; one unit for basic policy of \$5,000 or more; two units for \$10,000 or more; three units for \$15,000 or more.
3. Designed to give maximum death benefit on mother when children are small and need is greatest.
4. Each child has \$1,000 of level term insurance. Children born during term insurance are automatically covered with no increase in cost from 15 days old.

Costs only \$25 per Unit per year!

UNITED LIFE AND ACCIDENT INSURANCE CO.

EST. 1913 CONCORD, NEW HAMPSHIRE



Write H. V. Staehle, Jr., C.L.U., Field Management  
V. President, United Life, 5 White Street, Concord, N. H.  
STATES SERVED: Cal., Conn., Del., D.C., Ind., La.,  
Me., Md., Mass., Mich., N.H., N.J., N.C., Ohio\*,  
Pa., R.I., Vt., Va.\*

\*General Agency Opportunities Available  
Overseas Territories Available  
Brokerage Opportunities Available





Bradshaw graduated from McMaster University in 1938 and joined the actuarial department of Manufacturers Life. After service in the Canadian Army, he joined Great-West Life as a supervisor in the actuarial department. For several years he headed the statistical and tabulating departments. He was made associate actuary in 1956, and in 1959 he was appointed actuary, electronics, to direct the electronics program. A Fellow of Society of Actuaries, Mr. Bradshaw was a former president of Winnipeg Actuaries Club.

#### Uribe Leaves Insurance Post

Alejandro Uribe has resigned as president of Compania Suramericana de Seguros de Medellin, Colombia, to become president of Colombia's National Industries Assn.

Mr. Uribe makes frequent visits to the U.S. and has been a leader in Hemispheric Insurance Conferences. Suramericana is a property insurer which also owns a life company.

Mr. Uribe played a prominent role in the revolution which deposed the dictator Rojas.

By H. W. Cornelius of Bacon, Whipple & Co., 135 S. La Salle St., Chicago, June 7, 1960

	Bid	Asked
Aetna Life	80	82½
Beneficial Standard	14	15½
Business Men's Assurance	44	46½
Cal.-Western States	54¼	58½
Commonwealth Life	19	20¼
Connecticut General	333	340
Continental Assurance	144	149½
Franklin Life	72	74¼
Great Southern Life	65	69¾
Gulf Life	17¼	19
Jefferson Standard	38	40¾
Liberty National Life	57¾	62¼
Life & Casualty	16¼	18
Life of Virginia	48½	50¾
Lincoln National Life	218	225
National L. & A.	98½	102
North American, Ill.	12¾	14
Nw. National Life	96	102
Ohio State Life	44	47¼
Old Line Life	60½	65
Old Republic Life	18½	20¼
Republic National Life	35¼	37¾
Southland Life	83½	88¼
Southwestern Life	48	51½
Travelers	81	83¾
United, Ill.	49½	52
U. S. Life	38¼	40
Washington National	47¾	51¼
Wisconsin National Life	33	38

### Comments On The Insurance Field From The Investment Dealer's Chair

By LEVERING CARTWRIGHT

Cartwright, Vallean & Co., Board of Trade Building, Chicago

Life Companies, Inc., the Murchison bracketing of Lamar Life and Atlantic Life, became incorporated last Friday. It had descended to the low point of 15¼ bid. Then strong buying appeared, especially from Texas, and it ran up quickly by about three points.

There were reports that an actuarial firm had been engaged to assess the underlying values of Life & Casualty, and that at the same time an insurance stock specialist had been employed to do the same for LCI (as Life Companies is known to traders).

This suggested the possibility that they were getting on with the plan to put Lamar and Atlantic into the Murchison-controlled Life & Casualty.

LCI had run up to about 23 when the consummation of this program seemed imminent, then faded badly on reports of snags.

LCI had a net worth of 20 at Dec. 31, 1959, evaluating ordinary life at only \$15 per thousand. Adjusted earnings were \$1.42.

Life & Casualty had net worth of 13 and earnings of \$1.26. It has been selling at 17. When L&C. was in the range of \$20, the "street" thought \$30 might be realized for LCI in liquidation.

Mass. Bonding, which advanced to 43½ bid when word of merger discussions with Hanover got out, dropped back to 40 bid. Hanover, however, continued to be strong and on Monday had reached 44 bid. There was some buying of Mass. Bonding at the lower level by those who had tendered stock at 45 when State Mutual Life's satellite interests were acquiring a big block.

On Tuesday a number of insurance stocks displayed strength, notably Maryland Casualty, U.S.F.&G., Travelers, Aetna Life and Connecticut General. Continental Casualty dropped back two points after a steady advance of about 12 points over the past several weeks.

Shepard Broad turned back the shares of Universal Ins. Co. that had been tendered on his offer of \$50. He was obligated to take the stock up if 21,000 shares or more were tendered. The tenders ran fewer than that. Monday morning Universal Ins. Co. was 38 bid on the American Stock Exchange.

J. Victor Herd, chairman of Continental Ins. Co., addressing the New York Society of Security Analysts, gave an encouraging view of 1960 earnings and CIS (the stock exchange symbol) moved up handily to 51. He thinks investment income can reach \$3.60, and that barring unforeseen catastrophes, underwriting earnings might be expected. Total earnings of \$4 or \$5 a share are possible.

Laird, Bissell & Mead released a comparison and analysis of fire-casualty insurance stocks as of Dec. 31 giving 1959 and 1958 statistics under eight headings. — Foster & Marshall of Seattle, in its June bulletin, comments on life insurance companies and their common stock investments. They note that at the end of 1959 common stocks comprise but 3% of total assets, and predict that such investments will be stimulated when and if variable annuities come into vogue. — A large offering of National Old Line Life Ins. Co. stock was scheduled for this week. On Monday neither the exact date nor price had been announced. — Axe-Houghton Fund, in the six months to April 30, purchased, as a new investment 20,000 shares of American Ins. Co. — Fundamental Investors, during the three months ended March 31, reduced its holdings of Conn. General Life from 18,000 to 13,700 shares. — Nationwide Corp. encountered selling and dropped to 30½ bid—down two or three points from recent levels. — Crum & Forster, which constitutes one of the deepest discount situations in the field, developed strength and was 69 bid on Monday. This contrasts to a recent low of 60½. C&F. had a net worth of \$180 at Dec. 31 and investment income of \$8.32.

## Conventions

June 15-18, International Assn. of A&H Underwriters, annual, Conrad Hilton Hotel, Chicago.  
June 22-25, Texas Life Underwriters, Brownsville.  
July 7-9, International Assn. of Insurance Counsel, annual, The Greenbrier, White Sulphur Springs, W. Va.  
July 17-20, Consumer Credit Insurance Assn., The Greenbrier, White Sulphur Springs, W. Va.  
July 21-23, National Assn. of Life Companies, annual, Skirvin Hotel, Oklahoma City.  
July 25-29, National Insurance Assn., annual, Sheraton-Cadillac Hotel, Detroit.

August 22-24, International Federation of Commercial Travelers Insurance Organizations, annual, Queen Elizabeth Hotel, Montreal, Canada.  
August 24-27, Federation of Insurance Counsel, annual, Bellevue-Stratford Hotel, Philadelphia.  
Sept. 11-16, National Assn. of Life Underwriters, annual, Statler & Mayflower Hotels, Washington, D. C.  
Sept. 14-16, Society of Chartered Property & Casualty Underwriters, annual, Statler Hotel, Detroit.  
Sept. 18-21, International Claim Assn., annual, Whiteface Inn, Whiteface, N. Y.  
Sept. 21-23, Life Insurance Advertisers Assn., annual, Essex House, New York.  
Sept. 26, Fraternal Actuarial Assn., annual, Queen Elizabeth Hotel, Montreal, Canada.

### Northeastern Life Insurance Company of New York

Takes pleasure in announcing the appointment of

### KLEIN-ROMEO INSURANCE AGENCY

370 East 149th Street, Bronx 55, N.Y.

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### GENERAL AGENTS

Full Agency Service

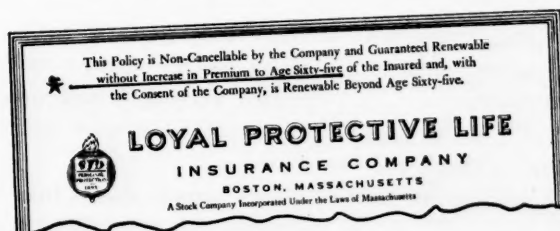
Consult us without obligation

### Northeastern Life Insurance Company of New York

17 East Prospect Avenue, Mount Vernon, New York

## Hallmarks of Quality

(On page 1 of every individual loss-of-time policy)



Part I. NON-CANCELLABLE AND GUARANTEED RENEWABLE TO AGE SIXTY-FIVE  
The Insured shall have the right to maintain this policy in force until the premium due date next following age sixty-five during which time the Company shall not have the right without the consent of the Insured:  
1. To cancel this policy;  
2. To refuse to accept any premium if paid on or before the date due or within the grace period provided;  
3. To make any loan or advance on this policy so long as it continues in force;  
4. To place any rider or restriction on this policy by reason of his performing more hazardous duties;  
5. To make any reduction in the indemnities provided herein by reason of his performing more hazardous duties.  
After the Insured has attained age sixty-five he may continue to renew this policy subject to the consent of the Company and to the provisions of Part II of this policy.



★ This guarantees the other guarantees!

Expansion program provides openings for qualified General Agents in selected areas.

LOYAL PROTECTIVE LIFE INSURANCE COMPANY  
BOSTON 15, MASSACHUSETTS

## Tells How To Use Split-Dollar Plan

(CONTINUED FROM PAGE 6)

and more of their inner natures. A skilled life insurance underwriter pauses to observe and then to evaluate what he sees. Is there a clue to the prospect's hidden feelings which the client hardly knows exist—feelings which he cannot express in words?

"We must observe people, by meeting them in community work, church work, and the like. We cannot learn of man by mere co-existence. Under-

standing comes not as a result of passive observation, but as the result of active participation followed by analysis."

### Shows All Ages

Describing his method of selling key-man insurance, J. Welldon Currie, New England Life, Miami Shores, Fla., said:

"Over the past 20 years I have learned that in selling business insur-

ance it should be presented using a consolidated illustration of all ages to be insured and with the headings as shown in the attached brief or case presentation. A corporation, while it writes a check for the net premium, must of necessity show as an asset the cash value created by such payments, thereby making it subject to the claims of its creditors. If surplus is debited with the net premium payment, it must be credited with the cash value increase, and the difference between these two figures each year (as shown in column 1 and 2) is the out-of-the-window cost (see column 3) to the corporation for the insurance for that year.

### Cost Turns To Profit

"This cost later turns to a profit (when cash-value increases exceed the net premium). The third column should, therefore, show red figures for cost, and black figures when the change occurs to profit. Keep referring back to the third column to emphasize the very low yearly reducing out-of-the-window cost to carry the insurance. Column 3 changes to a profit (black) quicker with limited payment life."

Following are the five column headings Mr. Currie was referring to: annual debit to surplus (annual net premium); annual credit to surplus (cash-value increase); annual net debit or credit to surplus; cumulative credit to surplus (total cash value); paid-up corporate indemnity (paid-up insurance).

How to get attorneys, accountants, bankers and other centers of influence to refer deferred compensation situations to the agent was discussed by Mason J. O. Klink, New England Life, Wilton, Conn.

"A step often overlooked by the underwriter is a report back," said Mr.

Klink. "The referral source must be made to take a personal interest in the outcome. Let him know what happened, how and why. Make it an interesting avocation for him. If he has a personal and enjoyable interest in it, the number of referrals from him will increase tremendously."

### Teaching Must Be Gradual

"Of utmost importance is the training of the referral source. He must be taught gradually over a period of time what a case is and how to spot one. This is a soft sell over a long luncheon. It has taken some people three or four years to give me a good referral, but once they start, the pace increases and they are all high quality."

"I train my referral sources to be able to spot a successful business man who is making money and who also fills the general title of 'good buy'. I try to train them to avoid giving me run-of-the-mill suggested cases. The referral source must also be trained to properly introduce the underwriter. I tell my people to merely mention to the potential prospect that they may need the counsel of a specialized practitioner in the field of business planning for deferred compensation and that my man knows of such a party who might be useful. I find it's best not to make a specific date but merely prepare him in a short, simple manner for my call."

### 'Double Jeopardy' Aids Agent

The business continuation insurance market is "full to overflowing with ripe prospects" who fall into one of four basic patterns, said John H. Ames, Mutual Benefit Life, New York City. These are the sole proprietor who has no business insurance and has never been exposed to it; the partner or stockholder in the small business who

NOW - RESULTFUL

## SIMPLIFIED PROGRAMMING

WITH  
OHIO  
NATIONAL  
LIFE'S

"DIRECTED DOLLARS"

Technique

STREAMLINED

EFFECTIVE

EASY TO USE

Ohio National Life's "Directed Dollars" goes far beyond ordinary programming procedures.

"DD" is Flexible . . . can be used for a package sale, a simple program, a complete program, or for estate analysis.

"DD" is Comprehensive . . . can be used with almost every type of prospect ranging from those of modest means to the substantially wealthy.

"DD" is Streamlined . . . provides the tools for professional programming without "busy work" details.

"DD" is a Sales Technique . . . which does not overlook the fundamental purpose behind programming—to make more and better sales.

Here's proof again that Ohio National Life is providing more of the right kind of sales aids to keep their agents "a jump ahead." With materials like this, more prospects become policyowners . . . and in shorter time.



THE **Ohio National Life**  
INSURANCE COMPANY · CINCINNATI  
A MUTUAL COMPANY



## Beneficial THOUGHTS

*Anyone can do his work however hard,  
for one day . . . and this is all that life  
really requires of us. Actually, all we can  
live is today . . . yesterday has gone, and  
tomorrow may never come for us.*

*Beneficial Thoughts for those of us in  
the life insurance industry.*

**BENEFICIAL LIFE**

Insurance Company  
Virgil H. Smith, Pres. Salt Lake City, Utah

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is either not insured at all or is inadequately insured; the key man vital to the profit formula of an organization of any kind who is not insured or is inadequately covered; the situation in which there is an implied or contractual "deal" of salary continuation, stock purchase, etc., for which there is no insurance.

"This last pattern," said Mr. Ames, "is the one I find most common and most likely to produce sales. This is what I like to call 'double or triple jeopardy'—meaning a situation where the survivors in the business have made a promise either to continue the deceased's salary and/or buy his stock and, at the same time, to replace his services to the business, and have either little or no life insurance funding."

#### Ridiculous But Common

"Consider how ridiculous it is, yet how common. A close relationship with a moral or contractual obligation to continue income, to buy out stock, and the loss of valuable experience and ability—and no money coming in."

The best way to learn of such cases, said Mr. Ames, "is to cultivate as centers of influence accountants, attorneys and bankers—not of the trust officer variety as is usually preached, but rather the investment and commercial banker. I think this is an important distinction."

Mr. Ames said the large amount of absorption of small businesses by big businesses or other small business is creating a market for hundreds of millions of dollars of life insurance, because nearly every one involves the "double jeopardy" type of situation. These mergers are usually brought about by accountants and bankers.

Combining deferred compensation for older executives—the "varsity

team"—with a split-dollar for younger employees was explained by Kenneth R. Mackenzie, New England Life, Boston.

"Deferred compensation is suitable for the 'varsity team,' he said. "But ordinarily, it is pretty hard for a corporation to know who, among 15 or 20 able looking youngsters in their early 30s, will by age 50 or 55 be in that little top management group upon whose ability the profits of the corporation really rest."

"At age 55, it is easy enough to tell who has made the team. But at that

#### Pru Plans Conferences For Ordinary Agency Field Men

Prudential will hold three conferences on improving sales and service for its ordinary agency field men in the greater New York, central Atlantic and New Jersey regions. Conferences are scheduled as follows:

Greater New York, Wentworth-on-the-Sea Hotel, Portsmouth, N.H., June 14-17; central Atlantic, Lido Beach Hotel, Lido Beach, N.Y., June 27-30, and New Jersey, Queen Elizabeth Hotel, Montreal, July 11-14.

#### Neb. Insurance Institute Elects Muffitt President

D. E. Muffitt Jr., assistant secretary United Benefit Life, has been elected president of Insurance Institute of Nebraska to succeed Russell T. Derr of Knights Life. A. Grant Reed, assistant secretary and chief underwriter Midwest Life, was named secretary-treasurer.

Standard of Portland will honor field force leaders at the annual sales conference in Sun Valley, Ida., June 22-25.

age you may run into two troublesome problems: The first is insurability and the second is the heavy premium outlay at the ages involved. The plan can be tough to handle if one or two of this top group have become uninsurable.

"If, on the other hand, we drop down to the 30 or 35 age group, a deferred compensation agreement implies some assurance of continued employment which any corporation is reluctant to assume with that age group. If we are talking about a split-dollar program for these younger employees, the corporation often raises the question as to what happens to this split-dollar insurance at retirement."

#### Program Is Explained

What Mr. Mackenzie has found to be an ideal and extremely salable program is this: Explain to management that a split-dollar plan not only offers these younger employees a chance to protect their families at far less than even the cost of term insurance and at no cost to the corporation other than loss of interest on the funds it invests in the cash values, but it results in

holding these young potentials in the corporation's service until such time as it is clear who is important and who isn't. For those who never really develop or who terminate, the company need have no worry with a simple, straightforward split-dollar arrangement.

#### Can Switch Plans

On the other hand, the company can enter into a deferred compensation agreement with the few, who at age 50 or 55, have made the "varsity team." The same split-dollar contracts continue right up to retirement age, at which time the split-dollar arrangement terminates and the retirement benefits begin, still funded by the same life insurance contract.

"Recently," he said, "my company—and probably in the not too distant future your company will do the same—established a plan under which, between ages 55 and 65, an ordinary life contract can be converted by increasing the deposits to cash values so that at age 65 we have a fully paid-up contract for the original face amount and without any penalty for the change in policy form over the 10-year period

## Crown Life of Canada modernizes Non-Medical Insurance

and introduces these revised limits for  
Males and both Single and Married Females

AGE	NON-MEDICAL LIMIT
0-9	\$10,000
10-25	25,000
26-30	20,000
31-35	15,000
36-40	10,000
41-45	5,000

Yes... Crown writes non-medically on all forms of life insurance... including Term and Term Riders.

And all brokers or surplus producers write non-medically for Crown...

no special qualifications... no double standards.

*When you write life... write Crown!*

When it's new  
in town  
...it comes  
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**CROWN**

TO: BROKERAGE DEVELOPMENT DEPT.,  
CROWN LIFE INSURANCE CO.,  
120 Bloor St. E., Toronto, Canada

Please send me your brokers life kit.

Name .....

Address .....

City ..... State .....

## A SYMBOL OF SECURITY

The Statue of Liberty is an important symbol to all Americans because it represents the freedom which is the foundation of our way of life. Our Company is proud to use it as its trademark.

Men to remain free must provide security for themselves and their families and most American families have found life insurance to be the best way to provide this security.

Liberty National Life Insurance Company is providing a large measure of security for many families. Over a quarter of a billion dollars is held by the Company for the protection of policyowners. Perhaps this financial strength is one of the reasons why more and more people each year buy their life insurance from Liberty National.

**LIBERTY NATIONAL  
LIFE INSURANCE CO.**

Frank P. Samford, President  
HOME OFFICE: Birmingham, Ala.



## Nominate Stewart, Blumberg For NALU Secretary Position

(CONTINUED FROM PAGE 1)

tions are meeting in June and may want to discuss the endorsing of trustee candidates, her committee has established a July 8 deadline for nominations and accompanying resolutions from local and state associations. All information must be received by Mrs. Doyle by the July 8 deadline. Her mail address is P.O. Box 4603, Ft. Lauderdale, Fla.

Mrs. Doyle expressed gratification on behalf of the committee at having "a choice between two very able and experienced men who have evidenced their willingness to serve NALU as national secretary."

"Since both are well known to the body politic of NALU and since each man has had three years of distin-

guished service on the board of trustees and because of other considerations, it was the unanimous opinion of the nominating committee that both should receive official endorsement," she said.

Other officer candidates on the slate announced by the nominating committee following a special meeting at New Orleans are William E. North, New York Life, Evanston, Ill., NALU vice-president, who is nominated for president; William E. Hendley Jr., president, to continue on the board another year as immediate past president; R. L. McMillon, Business Men's Assurance, Abilene, Tex., NALU secretary, who is nominated for vice-president, and Louis J. Grayson, Travelers, Washington, D.C., who is nominated to succeed himself as treasurer.

### Backgrounds Of Blumberg, Stewart

Mr. Blumberg is a member of the Tennessee Bar. He has qualified for the Million Dollar Round Table twice. He has been president of both the Tennessee and Knoxville associations and in NALU has served as its official parliamentarian and as chairman of several important committees. He is chairman of the constitution and resolutions committee and is a member of the building committee.

Mr. Stewart, a CLU, is a leading producer of Phoenix Mutual and is a past president of the Cleveland and Ohio associations. He heads the NALU committee on education and training. He is on the board of the National Council for Accreditation of Teacher Education.

Other committee members besides Mrs. Doyle who were at the New Orleans session were L. Mortimer Buckley, New England Life, Dallas; Roy E. Simon, Penn Mutual, Chicago; Ray H. Wertz, Lincoln National, Detroit and William W. Wray, John Hancock, Cincinnati.

## Deming Is Chairman Of Unity Mutual Life, Bayley New President

E. R. Deming Sr., president of Unity Mutual Life of Syracuse has been elected chairman and is succeeded by Leland J. Bayley, former vice-president and secretary. Thomas F. Hanrahan, actuary, has been appointed vice-president and actuary and Fred A. Schultz, assistant secretary, has been named secretary. Messrs. Deming, Bayley and Hanrahan have also been directors.

Mr. Deming, who has been with Unity Mutual since 1918, is a past president of National Fraternal Congress.

## Wellman Elected Head Of Ohio Agents' Assn.

Ohio Assn. of Life Underwriters has elected Gilbert J. Wellman, Commonwealth Life, Lima, president to succeed Samuel S. Loyer, Bankers Life of Iowa.

New vice-presidents are William C. Anderson, Equitable Life of Iowa, Portsmouth; Charles H. Campbell, Equitable Society, Ashland; David F. Good, Prudential, Akron; Robert E. Holliday, North American Life, Marion; and William A. White, Connecticut Mutual, Springfield. Robert W. Forker, Northwestern Mutual, was elected secretary-treasurer.

Milwaukee Assn. of Life Underwriters has concluded its second annual discarded clothing drive on behalf of Goodwill Industries.

## Hayes Now In NAIC Line Of Succession

(CONTINUED FROM PAGE 1)

report from the Gerber subcommittee on fire and casualty rating laws. Several of the committee reports reflected an unusual amount of work and research.

The executive committee, with Mr. Hayes as chairman and Mr. Hammel as vice-chairman, is made up of the officers and one representative from each zone—Knowlton of New Hampshire (zone one); Smith of Pennsylvania (two); Rinehart of Alabama (three); Gerber of Illinois (four); Harrison of Texas (five), and McConnell of California (six). There are three members at large—Howell of New Jersey, Musser of Oregon and Pearson of West Virginia.

Sullivan of Washington was re-elected chairman of the examinations committee, with Howell of New Jersey reelected vice-chairman. Membership of this committee is by zone chairman, and they are: Zone two, Gold of North Carolina; zone three, Leggett of Missouri; zone four, Timmons of Iowa, and zone five, Grubbs of Nebraska. Mr. Howell represents zone one and Mr. Sullivan zone six.

The federal liaison committee, of which the chairman for the coming year has not been elected, consists of zone representatives also—Roberts of Rhode Island (one); Smith of Delaware (two); Davis of Mississippi (three); Manson of Wisconsin (four); Hunt of Oklahoma (five), and McConnell of California (six).

## Guardian Centennial Celebration To Begin June 20 With Outing

Guardian Life's 100th anniversary celebration will begin June 20 with an outing and dinner dance for home office employees at the Lido Hotel, Lido Beach, Long Island.

The field force will observe the centennial July 19-22, with a meeting of sales leaders and President's Club qualifiers at the Waldorf-Astoria Hotel. The opening address at the centennial sales convention will be given by President John L. Cameron.

Following an "old-timers" breakfast Wednesday morning, the addition to the home office building will be dedicated. Members of Guardian's Million Dollar Club will present a special program Wednesday afternoon.

The speaker at the centennial banquet Wednesday evening at the Waldorf-Astoria will be G. Russell Clark, New York superintendent of banking and a former Guardian director.

Kenneth McFarland, educational consultant for General Motors Corp., will keynote the Thursday morning session, which will include talks by several members of the field force. On Friday morning, members of Guardian's CLU association will attend a breakfast, which will be followed by a room hopping program with panel discussions on estate planning, prospecting and time control, pension and profit-sharing and group selling. James A. McLain, chairman, will deliver the closing address.

## Seattle Agents Elect

Seattle Life Underwriters Assn. has elected Douglas L. Mitchell, Penn Mutual Life, president. He succeeds Lewis C. Yount, Prudential. Other officers are Arthur F. Kehle, vice-president; John H. Rooney, secretary; and Clifford B. Bertram, treasurer.

## Agent Who Won Suit Defeated On Appeal

(CONTINUED FROM PAGE 1)

in which the insurance was placed, these are collateral matters that cannot serve to help spell out affirmatively the agreement so essential to plaintiff's recovery. At best, the conversations and conduct relied upon would indicate encouragement of plaintiff by defendants-appellants, whether in good faith or bad faith, to continue working on their insurance programs.

"Accordingly, judgment in favor of plaintiff is reversed, on the law and facts, and the complaint is dismissed with costs to defendants-appellants." Earlier in the opinion the court stated: "Plaintiff, a life insurance agent, alleges in his complaint that defendants-appellants promised him and agreed with him that such (life) insurance would be written through and by him, regardless of any change in, alteration of, or substitution of any plan in place of the plan or plans he was thus required to work up and devise, so as to compensate him for the services by the commissions payable and paid upon effecting such insurance, the renewal commissions and other benefits."

### No Agreement In Writing

"There was no agreement in writing between the parties. Plaintiff argues, however, that implicit in the conversations among and the course of conduct of the parties was an agreement that the plaintiff 'worked up and devised' a plan of insurance that was accepted, he would secure the life insurance policies as defendants-appellants agents and thus be compensated by means of the commissions payable upon such policies.

"Defendants-appellants procured and paid for policies implementing a plan concededly worked up by plaintiff, but they placed the insurance through another broker. Plaintiff contends that there was an implied covenant that he would receive his compensation by way of commissions on the policies he wrote and that defendants-appellants breached their agreement with him by wrongfully frustrating his right to earn such commissions. Plaintiff has recovered a judgment for a sum approximating the first year's commissions he would have received had he placed the insurance.

"The evidence presented upon the trial does not support the agreement alleged in the complaint. Giving plaintiff the benefit of all implications that can fairly be drawn from conversations among the parties, their course of conduct and the documents introduced into evidence, he has still failed to offer upon the trial sufficient proof of the unusual agreement he alleges in his complaint."

The trial court decision was reported at length in the National Underwriter of Nov. 28, 1959.

## Meyer Heads Chicago Fraternal Underwriters

Fraternal Underwriters Assn. of Chicago has elected Clarence C. Meyers, Concordia Mutual Life Association, president. John P. Haus, Aid Association for Lutherans, is vice-president.

Texoma (Sherman, Tex.) Assn. of Life Underwriters has elected Woodrow Elrod, Southland Life, president; Linus Jarvis, Reliable Life, vice-president, and J.M. Hollingshead, Republic National, secretary - treasurer.

## WANT ADS

Rates—\$22 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—  
LIFE EDITION

## PROVIDENCE AGENCY OPPORTUNITY

... for qualified man with supervisory experience to manage established life agency of large, progressive eastern company. Includes all lines of Life, Accident and Health, Group coverage. Unusual financing plan and training program for agents. If you have field supervisory experience and believe you are ready for your own agency, write giving complete resume of your background. Your reply will be kept in strict confidence. Reply to Box P-74, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

## A LATIN AMERICAN LIFE INSURANCE COMPANY

Wants as chief operating officer man, preferably not over 45, with executive home office experience and ability to speak fluent Spanish. Some fire experience desirable but not essential. Fine opportunity for right man. Reply to Box NY-32, National Underwriter, Adv. Dept., 17 John St., New York 38, N.Y.

## ACCIDENT and SICKNESS AGENCY SUPERINTENDENT

One of the largest writers of accident and sickness insurance in the midwest, is interested in securing a man, age 30 to 45, with ample sales and managerial experience to qualify for this position. Starting salary a minimum of \$9,000 a year or up depending upon the applicant's ability. All replies will be treated confidentially. Write to Box P-49, c/o The National Underwriter Co., 175 West Jackson Blvd., Chicago 4, Illinois.

## SALARY TO \$15,000

Well-known mutual life insurance company, Home Office Chicago, has unusual opening for agency manager to head a Chicago area office. Management experience desirable. Completely equipped office with secretary provided. Salary to \$15,000 plus commission on personal business. Submit complete resume to Box P-94, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

June 11, 1959

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# Nicholson Urges More Gumption In Field

(CONTINUED FROM PAGE 2)

price but never persisting, insisting, persuading the public to do what in its conscience it knows to be the only right thing to do. That is what the public says it wants.

"My fear is that we have given it to them, that we have shifted our recruiting and selection processes from finding the effective man to finding an acceptable man, one who might, in combination with easy-to-sell products (which the public wants) try to ap-

pease customer appetites. Don't we then buoy up this 'acceptable' man with heaps of training, surround him with staff help, load him with technical knowledge, fill his brief case with sales promotion?

"And what happens? Don't we get a chap who is too 'nice' to fire, too scared to quit, just making a living, and one who should never have been in our business to begin with? Well, it is not our fault—we gave the public what it wanted!"

If the manager or general agent has done that, Mr. Nicholson pointed out, the chances are it was because he thought he was supposed to.

"After all," he said, "didn't this home office give him those easy-to-sell products—the ones the public wanted? Didn't it listen to his requests for more staff help? Didn't it develop all the sales promotion? Why, his home office even took over the responsibility of selecting his agents. It was never really spelled out this way, but when a new recruit got by the selection tests and the committee on selection, the results were the same.

"Training has long been recognized as an integral part of a new man's development. Yet, when the managers and general agents didn't do it, the home office provided schools or scholarships to industry schools that sprang up to serve the need created by this abdication. No wonder the General Agents & Managers Conference had as its theme at their meeting last fall 'The Man in the Middle.' It probably should have been more appropriately called 'The Man in the Muddle.'"

Mr. Nicholson said he was not being derisive about that meeting but said that "if you fellows think of yourselves as 'middlemen' the chances are that is what you'll end up being."

## Should Be Leaders

"In my book," he said, "the managers and general agents are not 'middlemen,' they are leaders of men. That's an up-front position. Responsibility is the lot of the leader. It cannot be ducked or bucked. When it is, the decline from big men to little men sets in and the angle is precipitous."

None of this loss of responsibility is due to home office decisions to cut down the importance of the agency heads. The situation is due not to malice but to a desire to help, and it is unnatural to refuse such help, to say "I can't accept your gift because its acceptance would make me a lesser man."

"Yet a stand must be taken," said Mr. Nicholson. "Either we believe our managers and general agents are the key to our sales success or we don't. Either you believe it or you don't. But if you believe it as strongly as I do, I suggest you review your functions and responsibilities in their most fundamental of concepts.

"Simply stated, it is you who finds a man for whom this business is right and guides him to his maximum personal development. To do this, you of course must have skills in recruiting, selection, teaching, supervision, motivation, administration, money management, etc., but I am talking about

the atmosphere in which these are practiced—the setting for the picture, not the picture itself."

## Indirection, Not Coercion

All this, said Mr. Nicholson, is tied up with how the manager wears his "mantle of leadership." Leadership, he said, must be by indirection and persuasion, not by coercion. It starts with the desire to be helpful to someone else and it flourishes when that someone who can be helped is found.

"That is why I have often stated that the manager cannot delegate his

responsibility for recruiting and developing his agent force," he declared. "This goes for delegation up as well as delegation down. Delegation is a polite name for abdication. Abdication is a one-way street—a destroyer of the sense of responsibility.

"This sense of responsibility and its execution through leadership by indirection is vital to our business. You managers and general agents must accept this responsibility, must practice leadership by indirection, must think the part, act the part, be the part."



"Ted, having our reinsurer is like having two more top underwriters, at no cost!"

"I agree North American Reassurance is quite a help, Howard, but isn't that a big statement?"

"Well, remember when their field representative was here last week? He gave us the dope in a hurry on how to solve those three problem cases last month. So happened we retained two cases ourselves and ceded one to them."

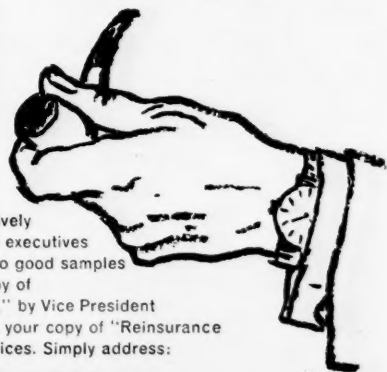
"Hmmm, that's true . . . and their help is fast. Why, I phoned them about a highly rated case one morning last week and their decision was on my desk when I got back from lunch!"

"And since you mentioned substandard, how about the way North American Re will accept facultative cases rated up to 1000%? How about the applications we had to turn down that they've revived for us?"

"Now there's a service that's really had an effect on the agency force!"

"Not to mention their advice on the recent revisions of our non-medical limits and medical requirements . . . and all those special medical studies they publish, and . . ."

"I'm convinced—except it may be three underwriters instead of two!"



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# CLAIM TIME

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